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PROFESSIONAL AND OCCUPATIONAL STANDARDS

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Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LXVII. Real Estate

Subpart 1. Real Estate

Chapter 1. Authority

§101. Adoption

A. The Rules and regulations of the Louisiana Real Estate Commission contained herein have been adopted pursuant to and in compliance with R.S. 37:1431 et seq., and any violation of these Rules or regulations, or of any real estate licensing law, shall be sufficient cause for any disciplinary action permitted by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:37 (January 2000).

Chapter 3. Applications for Initial Licenses

§301. Application

A. Every application must be fully completed, notarized and accompanied by the prescribed fees.

B. Every initial applicant for a salesperson license must provide an affidavit signed by the sponsoring broker at the time the application is submitted; or

1. the salesperson applicant may provide the affidavit signed by the sponsoring broker prior to issuance of the license;

2. upon passing the licensing examination the applicant must, within 90 days, submit to the commission a statement of sponsorship signed by a licensed real estate broker acknowledging that the broker will serve as the applicant's sponsoring broker. The commission, at its discretion, may extend the 90 day period upon a showing that factors beyond the control of the applicant warrant such an extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:37 (January 2000).

§303. Broker and Salesperson License Applications

A. Every applicant for licensing as an individual real estate broker or salesperson shall include with their application the following:

1. proof of completion of the required real estate educational hours from a real estate school holding a certificate of authority from the commission or certificates

or university transcripts indicating completion of courses which have been approved by the commission. Effective January 1, 2000, only those preclicensing educational courses completed during the five year period immediately preceding the date of initial application for a real estate salesperson or broker license will be granted full credit by the commission. Real estate preclicensing course work completed by an applicant prior to the five year period immediately preceding the date of initial application for a salesperson or broker license may be considered by the commission for partial credit toward the initial preclicensing requirement. Any partial credit granted will be based on the date(s) of course completion and the applicability of course content to current preclicensing requirements. The commission may accept approved real estate course work obtained in other jurisdictions toward fulfillment of preclicensing salesperson and/or broker educational hours. Real estate course work obtained from nationally recognized institutes may also apply toward fulfillment of broker preclicensing hours. The applicant must apply for and receive approval of such course work from the commission prior to submitting the initial licensing application. Every applicant for a Louisiana real estate license must complete an approved course of study consisting of at least 30 classroom hours of course work. Such course work shall include study of the Louisiana Real Estate License Law, Commission Rules and Regulations and Louisiana Civil Law relating to real estate and any other courses the commission deems necessary and appropriate;

2. license verification history from each jurisdiction where the applicant has held or currently holds a real estate license as a broker or salesperson;

3. verification of passing an equivalent real estate licensing examination within the five year period immediately preceding the date of application if the applicant is requesting a waiver of the national portion of the licensing examination.

B. Every application for a corporation, partnership or limited liability broker license shall be submitted by the qualifying broker designated by the corporation, partnership or limited liability company on a fully completed, notarized application accompanied by the prescribed fees and the following documents:

1. a copy of the resolution or other document executed by a principal of the corporation, partnership or limited liability company designating the individual real estate broker as its qualifying broker;

2. a notarized Affidavit of the Qualifying Broker;

3. a copy of the Registration Certificate issued by the Secretary of State;

4. a copy of any registration issued by the Secretary of State for any trade name or trademark to be used by the corporation, partnership or limited liability company in its real estate business activities as a licensee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:37 (January 2000).

Chapter 5. Examinations

§501. Examination Procedure

A. Each applicant for a real estate license examination must submit an application to the commission for a determination of eligibility to take the applicable licensing examination. The responsibility for timely submission of initial licensing applications rests solely with each individual applicant.

B. Upon a determination by the commission that the applicant is eligible to take the licensing examination, an examination authorization will be issued to the applicant. The authorization will be valid for one examination which must be completed within a period of 90 days of issuance. If the applicant does not take the examination within the 90 day period, the applicant must apply to the commission and receive a new examination authorization prior to scheduling an appointment to take the licensing examination.

C. Upon receipt of the examination authorization from the commission, the applicant is solely responsible for contacting the commission's designated national testing service to arrange for an appointment to take the examination.

D. Each examination applicant must comply with all examination procedures established by the commission and its designated national testing service. These procedures will be contained in a licensing information bulletin provided to each applicant with the initial licensing application packet.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:38 (January 2000).

§503. Disqualification of Applicants

A. Any action by an applicant to use, or attempt to use, to obtain, or attempt to obtain, to supply to others, or attempt to supply to others, specific information on copyrighted test questions appearing on any qualifying examination administered under the jurisdiction of the commission shall be grounds for denial of a license.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:38 (January 2000).

§505. Prohibited Activities

A. Licensees, certificate holders, registrants, and persons employed by or associated with a licensee, certificate holder, registrant, school owner or school director, shall not obtain or attempt to obtain by deceptive or fraudulent means any copyrighted test questions and/or confidential test material used by or belonging to any national testing service under current or expired contract with the commission for administration of its licensing and certification examinations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:38 (January 2000).

§507. Failure of Examination

A. Any applicant who takes and fails to pass the initial examination may apply to retake the examination by submitting to the commission a copy of the fail notice and a new examination processing fee within 90 days of the date of failure. Failure to reapply for an examination within the 90 day period will result in closure of the applicant's file and forfeiture of all fees. Thereafter, the applicant will be required to submit a new application and remit all prescribed fees to be eligible for the licensing examination. The commission, at its discretion, may extend the 90 day retake period upon a showing that factors beyond the control of the applicant warrant such an extension.

B. The failing applicant may continue to retake the examination for a period of one year from the initial examination date, provided the applicant follows the retake procedures as specified in Section 507 of this Chapter. Failure of the applicant to achieve a passing score on both the national and state portions of the licensing examination within the one year period will result in the loss of examination eligibility. The applicant will not be eligible to again apply for the licensing examination until six months after the date of the loss of examination eligibility.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:38 (January 2000).

§509. Partial Failure of Examination

A. Any applicant who takes an examination and passes only the national or state portion of the examination shall be required to retake only the failed portion. The applicant's passing score on the passed portion of the examination will be valid for a period of one year from the date of passage. The applicant may apply to retake the failed portion by submitting to the commission a copy of the fail notice and a new examination processing fee within 90 days from the date of failure. Failure to reapply for an examination within the 90 day period will result in closure of the applicant's file and forfeiture of all fees. Thereafter, the applicant will be required to submit a new application and remit all prescribed fees to be eligible for the licensing examination. The

commission, at its discretion, may extend the 90 day retake period upon a showing that factors beyond the control of the applicant warrant such an extension.

B. Failure of the applicant to achieve a passing result on both portions of the examination within a one year period of the initial examination date will result in the loss of examination eligibility. The applicant will not be eligible to again apply for the licensing examination until six months after the date of the loss of examination eligibility.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§511. Examination Requirement for Out-of-State Applicants

A. Any applicant for a Louisiana real estate license who was previously or is currently licensed in another jurisdiction as a real estate salesperson or broker shall be required to take and pass only the state portion of the examination, upon a showing by the applicant that the applicant has passed, within five years of applying for licensing in Louisiana, an equivalent examination in another jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

Chapter 7. Fees

§701. Refund of Fees

A. Except as otherwise provided in these Rules and regulations all fees submitted to the commission are nonrefundable.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§703. Duration of Fees for Licenses, Certificates and Registrations

A. Fees shall cover a period of one calendar year and shall not be prorated.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§705. Returned Checks

A. Payment of any fee with a check which is returned by a financial institution wherein the reason for not paying the check is not a fault of the financial institution shall be grounds for cancellation of the transaction for which the fee was submitted and/or the suspension or revocation of a license, registration or certificate.

B. Persons issuing checks to the commission which are returned by financial institutions for any reason will be notified of the return of the check by certified mail to the address registered by that person with the commission. Within 10 days from the mailing of the notification, the person issuing the check will remit a certified check, cashier's check or money order payable to the Louisiana Real Estate Commission in the amount of the returned check plus a \$25 processing fee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

Chapter 9. Renewal Applications

§901. Timely Renewal of Licenses, Registrations and Certificates

A. The responsibility for the timely submission of renewal applications and the payment of the required fees rests solely with each individual licensee, registrant and certificate holder.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§903. Non-Renewal of Real Estate Licenses

A. No real estate license shall be issued to any associate broker or salesperson until the individual real estate broker license of their sponsoring broker, or, if sponsored by a designated qualifying broker, the corporate, partnership, or limited liability company broker license of their sponsoring designated qualifying broker has been renewed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§905. Renewal Application

A. A salesperson or associate broker renewal application must be signed by a sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:39 (January 2000).

§907. Continuing Education Required for Renewal

A. The active license of an individual real estate broker or salesperson shall not be renewed unless the broker or salesperson has completed eight hours of approved continuing education course work during the immediately preceding license period. Course work submitted by delinquent renewal applicants may either be obtained in the preceding license period or prior to submission of the delinquent renewal application to the commission.

B. Beginning January 1, 2001, except for purposes of compliance with the Americans with Disabilities Act (ADA) or other similar extenuating circumstances determined by the commission, correspondence study courses shall not be accepted toward fulfillment of the four hours in mandatory continuing education subjects specified by the commission unless said courses are certified by the Association of Real Estate License Law Officials (ARELLO) for distance learning purposes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

Chapter 11. Delinquent Renewal

§1101. Application for Delinquent Renewal

A. Applications for delinquent renewal of broker or salesperson licenses and applications for delinquent renewal of timeshare sales registrations shall be accepted by the commission only during the six-month period immediately following the last December 31 date on which the applicant held a valid license or registration.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1103. Loss of Renewal Eligibility

A. Licensees and timeshare sales registrants who fail to renew a real estate license or timeshare sales registration during the six-month delinquent period following the expiration of a license or registration shall apply as and meet all requirements of initial applicants.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

Chapter 13. Broker Affiliation

§1301. Associate Broker

A. A licensed individual real estate broker may become exclusively affiliated as an associate broker with a sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1303. Notification by Broker Applicants

A. Any applicant for licensing as an individual real estate broker who elects, if and when licensed, to become exclusively affiliated with a sponsoring broker shall notify the commission in writing of the name of the sponsoring broker prior to the issuance of the license. When the applicant is qualified for licensing as a broker, the commission shall inscribe the name of the sponsoring broker on the license and issue the license to the sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1305. Notification by Individual Real Estate Broker

A. Any individual real estate broker who elects to become exclusively affiliated with a sponsoring broker shall notify the commission in writing prior to beginning such a relationship and provide the name of the sponsoring broker and the effective date of the relationship. The notification shall be accompanied by the broker's license and the transfer fee. The commission shall inscribe the name of the sponsoring broker on the license and issue the license to the sponsoring broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1307. Escrow Accounts Prohibited

A. Any broker who is exclusively affiliated with a sponsoring broker is prohibited from maintaining a sales escrow checking account, rental trust checking account or security deposit trust checking account except as authorized in Chapter 27. All funds received by the associate broker in real estate transactions of any nature will be placed in the custody of the sponsoring broker.

B. Associate brokers who were licensed as individual real estate brokers and who maintained sales escrow checking accounts, rental trust checking accounts or security deposit trust checking accounts prior to affiliating with a sponsoring broker may continue to maintain those accounts for the limited and specific purpose of completing pending transactions, as authorized by Chapter 27.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

Chapter 15. Transfers and Terminations

§1501. Transfers

A. The transfer of the real estate license of a salesperson or an associate broker in the active status, or the termination of sponsorship of a salesperson or associate broker, will be accomplished by completing a transfer form prescribed by the commission and paying any required fees.

B. The sponsoring broker shall return the license of the salesperson or associate broker to the commission within five days of the date of execution of the transfer form.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1503. Exemption from Transfer Fee

A. No transfer fee or delinquent renewal fee shall be charged to an associate broker or salesperson who applies for transfer or change of status within 60 days of any of the following circumstances:

1. when the sponsoring broker has died;
2. when the sponsoring broker has failed to renew his license;
3. when the sponsoring broker's license has been suspended or revoked;
4. when the sponsoring broker's license is transferred to the inactive status;
5. when the sponsoring broker elects to discontinue the sponsorship of a licensee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:40 (January 2000).

§1505. Transfers on Acquisition or Purchase of Licensed Agencies

A. When a licensed agency is purchased or otherwise acquired by another licensed agency, the sponsoring or qualifying broker of the acquiring agency will notify the commission in writing not later than the second working day following the date of acquisition.

B. The notification to the commission will specify the date of acquisition and request the transfer of all licensees sponsored by the agency being acquired to the acquiring agency and shall certify continuous errors and omissions insurance coverage of all licensees being transferred to the acquiring agency. If the transfer of licensees necessitates the payment of fees to the commission for coverage under the commission group policy, a listing of all licensees to be covered under the policy and a check in payment of the required fees will accompany the notification.

C. On receipt of the written notification the licenses of all associate brokers and salespersons will be transferred by the commission to the acquiring agency under the sponsorship of the sponsoring or qualifying broker of the acquiring agency, with the effective date of transfer being the date of acquisition as specified in the written notice of acquisition.

D. The sponsoring or qualifying broker of the acquiring agency shall, within two working days following the date of acquisition, give written notice to all licensees transferred to the acquiring agency in connection with the acquisition.

E. Associate brokers or salespersons who do not elect to remain with the acquiring agency shall within five days after notification advise the sponsoring or qualifying broker of the acquiring agency and request the return of their licenses to the commission. Transfers to a new sponsoring broker will be accomplished in accordance with the provisions of this Chapter.

F. The transfer of the licenses of associate brokers or salespersons who will be terminated by the sponsoring or qualifying broker of the acquiring agency will be accomplished in accordance with the provisions of this Chapter.

G. Not later than 15 days following the date of acquisition, the sponsoring or qualifying broker of the acquiring agency will advise the commission in writing of the status of all licensees formerly sponsored by the acquired agency.

1. The notification will include a listing by category which identifies:

- a. each associate broker or salesperson who requested the return of their license to the commission;
- b. each associate broker or salesperson who is being terminated by the acquiring agency; and
- c. each associate broker or salesperson who has elected to remain with the acquiring agency.

2. The notification will include:

- a. the licenses of each associate broker or salesperson who will not remain with the acquiring agency;
- b. copies of the written notification to and/or from each associate broker and salesperson as required by this Chapter;
- c. a check from the acquiring agency in payment of the appropriate transfer fee for each licensee who was sponsored by the agency being acquired and who will remain with the acquiring agency.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:41 (January 2000).

§1507. Change of Licensing Status

A. Individual real estate brokers and salespersons may transfer from active to inactive status or from inactive to active status by completing a transfer form prescribed by the commission, satisfying the requirements set forth in the Louisiana Real Estate License Law and Rules and Regulations of the Commission, and paying any required fees.

B. Corporate, partnership and limited liability company real estate broker's licenses shall remain in the active license status.

C. Any licensee transferring to inactive status without fulfilling his/her post licensing requirement will be required to complete the 30-hour post licensing course prior to transferring his/her license to active status.

D. The 30-hour post licensing course can be used to satisfy the continuing education or a portion of the continuing education required for transfer to active status as follows:

1. one to three years of inactive statusC30 hours of post licensing in lieu of the required 20 hours of continuing education. Any licensee remaining in the inactive status for more than one year will also be required to complete a four-hour continuing education course covering the Louisiana Real Estate License Law and Commission Rules and Regulations within one-year prior to the date of the transfer to active status;

2. three to five years of inactive statusC30 hours of post licensing and at least 10 hours of continuing education that includes a four-hour course covering the Louisiana Real Estate License Law and Commission Rules and Regulations. This four-hour course must be completed within one year prior to the date of the transfer to active status;

3. more than five years of inactive statusC30 hours of post licensing and at least 50 hours of continuing education that includes a four-hour course covering the Louisiana Real Estate License Law and Commission Rules and Regulations. This four-hour course must be completed within one year prior to the date of the transfer to active status.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:41, (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:485 (March 2002).

Chapter 17. Termination Responsibilities

§1701. Relinquishment of Business Related Property

A. Upon termination of a licensee's relationship with a sponsoring broker, every salesperson or associate broker shall immediately turn over to the sponsoring broker all business related property obtained from or provided by the sponsoring broker or agency, to include keys to any and all properties listed with the broker whether such keys were provided by the broker or obtained by the licensee during the business relationship.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:41 (January 2000).

§1703. Relinquishment of Business Related Data

A. Upon termination of a business relationship with a sponsoring broker, salesperson or associate broker shall immediately turn every over to the sponsoring broker all listing information, contracts, agency forms, and other business or agency related information, data, or documents obtained from or provided by the sponsoring broker or agency for use by the licensee during the business relationship.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:41 (January 2000).

§1705. Personal Obligations

A. The responsibility for settlement of matters pertaining to financial obligations resulting from the business relationship, including the payment of commissions and dues to professional organizations, rests solely with the parties to the relationship. Any disputes resulting therefrom should be properly addressed through civil litigation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000).

§1707. Report of Alleged Failure

A. Any sponsoring broker who alleges failure to comply with §1701 or §1703 of this Chapter by a formerly sponsored salesperson or associate broker shall submit a signed and documented report of such failure at the time the license is returned to the commission, and provide a copy of the report to the former licensee. The report shall specifically list and identify the business related property or data not relinquished by the formerly sponsored licensee and the signed report shall constitute a written complaint filed with the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000).

Chapter 19. Names on Licenses, Registrations, and Certificates; Trade Names; Symbols; and Trademarks

§1901. Names on Licenses, Registrations and Certificates

A. All licenses, registrations and certificates issued by the Louisiana Real Estate Commission will be issued in the name of the legal entity of the applicant.

1. Licenses, registrations and certificates issued to individual real estate brokers, real estate salespersons, timeshare registrants, and real estate school instructors will be issued in the name of the individual person.

2. Licenses, registrations and certificates issued to any corporation, partnership or limited liability company for any purpose will be issued in the identical name of the corporation, partnership or limited liability company as registered with the Secretary of State. No license, registration or certificate will be issued to any corporation, partnership, or limited liability company not registered with the Secretary of State.

3. The name of any broker or salesperson whose real estate license has been revoked by the commission, with the revocation becoming final and effective on or after February 1, 1995, which in any way represents that the former broker or salesperson is licensed by the commission to conduct real estate activities requiring licensing in Louisiana, shall not be utilized on any license issued by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000).

§1903. Trade Names

A. Licenses, registrations and certificates issued by the commission will not indicate a trade name of the licensee, registrant or certificate holder unless the trade name is registered with the Secretary of State and a copy of the registration is on file at the commission.

B. All names and/or trade names used by licensees, registrants or certificate holders in advertising and/or written or verbal communications of any kind shall be a name that is a clearly identifiable entity that will distinguish it from other licensees, registrants or certificate holders.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:830 (April 2002).

§1905. Symbols and Trademarks

A. Licensees, registrants and certificate holders are prohibited from using any symbol or trademark in connection with any license, registration or certificate issued by the commission without first registering the symbol or trademark with the Secretary of State and placing a copy of the registration on file at the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000).

Chapter 21. Concurrent Licensing

§2101. Broker and Salesperson Licenses

A. A broker may conduct real estate activity as an individual real estate broker and concurrently be designated as the qualifying broker of one or more corporations, limited liability companies and/or partnerships.

B. Associate brokers and salespersons shall not be sponsored by more than one sponsoring broker.

C. Licenses as brokers or salespersons, or a registration as a timeshare interest salesperson shall not be issued to or held concurrently by any person. Brokers may not concurrently conduct real estate activities as an individual real estate broker and as an associate broker exclusively affiliated with another real estate broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000).

Chapter 23. Branch Offices

§2301. Branch Office

A. An office located at other than the registered address of a sponsoring or qualifying broker which has been established by the broker or a licensee sponsored by the broker for conducting any real estate activity requiring licensing as a broker or salesperson and which in any way advertises the name of the broker or broker's company or the telephone number of the licensed broker shall be considered to be a branch office.

B. Every branch office shall be under the direct supervision of a sponsoring, qualifying, or affiliated broker who shall be designated in writing as the branch office manager. A copy of the designation shall be submitted to the commission within five days following the date of the original designation or any changes thereto.

C. While supervising a branch office, a sponsoring, qualifying, or affiliated broker has all the duties of and is subject to the penalties applicable to a sponsoring broker. This does not relieve the sponsoring broker of the ultimate responsibility of the branch office operation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:829 (April 2002).

Chapter 25. Advertising

§2501. Advertisements

A. All advertising by any licensee shall include the phone number and the identity of the listing broker or firm through the use of the identical name under which the listing broker or firm is licensed or a registered trade name that is a clearly identifiable entity which will distinguish the listing broker or firm from other licensees, registrants, or certificate holders.

B. Any trade name used by a licensee, registrant or certificate holder in advertising shall be a trade name that is a clearly identifiable entity that will distinguish itself from other licensees, registrants or certificate holders.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:42 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:829 (April 2002).

§2503. Owner Authorization

A. No broker or licensee sponsored by said broker shall in any way advertise property belonging to other persons as being for sale or rent or place a sign on any such property offering the property for sale or rent without first obtaining the written authorization to do so by all owners of the property or their authorized attorney in fact.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2505. Accuracy in Advertising

A. All advertising shall be an accurate representation of the property advertised. No broker or licensee sponsored by said broker shall use advertising which is misleading or inaccurate or in any way misrepresents any property, terms, value, policies, or services of the business conducted. The advertising shall not include any name or trade name of any franchiser or real estate organization or association of which the licensee is not a member or franchisee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2507. Advertisements of Residential Property

A. All printed advertisements for the sale or lease of residential real estate shall indicate the month and year the advertisement is printed, published, or distributed. Advertisements printed or published in newspapers, real estate trade publications and commercial magazines and brochures bearing an issue or publication date will be considered in compliance with this Section.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2509. Advertisements by Franchise Organizations

A. Any licensed broker or salesperson affiliated with a franchise organization must disclose to the public that the real estate brokerage firm is independently owned and operated in all advertising.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2511. Agent Owner-Licensed Agent

A. A licensed broker or salesperson who offers property in which he or she owns any interest as being for sale or rent shall state in any advertising, and on any sign placed on the property, that he or she is a licensed real estate agent.

B. Any licensed broker or salesperson who advertises, or offers to purchase or rent property for his or her own full or partial interest shall state in any advertisement that he or she is a licensed real estate agent.

C. Including the term "licensed real estate agent" in any advertisement or on any sign shall be sufficient to satisfy this requirement.

D. This Section is not applicable to the sale, rental, or acquisition of property by licensees under a contractual agreement with a licensed Louisiana real estate broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2513. Appraisals

A. No licensee shall offer or advertise any appraisal service to the public in any manner which would create the impression of the licensee being a state certified real estate appraiser unless the licensee has been certified as such in accordance with R.S. 37:3406. Licensees who have not been certified as state certified real estate appraisers shall not describe or refer to any appraisal or other evaluation of real estate located in this state by the term "state certified."

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000).

§2515. Internet Advertising

A. A real estate broker advertising or marketing on a site on the Internet must include the following data on each page of the site on which the advertisement appears:

1. the broker's name as registered with the commission;
2. the city, state and country in which the broker's main office is located;
3. the regulatory jurisdiction(s) in which the broker holds a real estate brokerage license.

B. A real estate broker using any Internet electronic communication for advertising or marketing, including but not limited to, e-mail, e-mail discussion groups, and bulletin boards, must include the following data on the first or last page of all communications:

1. the broker's name as registered with the commission;
2. the city, state and country in which the broker's main office is located;
3. the regulatory jurisdiction(s) in which the broker holds a real estate brokerage license.

C. An associate broker or salesperson advertising or marketing on a site on the Internet must include the following data on each page of the site on which the licensee's advertisement or information appears:

1. the associate broker's or salesperson's name;
2. the name of the licensed broker or agency listed on the license of the salesperson or associate broker;
3. the city, state and country in which the broker's main office is located;

4. the regulatory jurisdiction(s) in which the associate broker or salesperson holds a real estate license.

D. An associate broker or salesperson using any Internet electronic communication for advertising or marketing, including but not limited to e-mail, e-mail discussion groups, and bulletin boards, must include the following data on the first or last page of all communications:

1. the associate broker's or salesperson's name;
2. the name of the licensed broker or agency listed on the license of the salesperson or associate broker;
3. the city, state and country in which the broker's main office is located;
4. the regulatory jurisdiction(s) in which the associate broker or salesperson holds a real estate license.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:43 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:829 (April 2002).

Chapter 27. Escrow and Trust Accounts

§2701. Sales Escrow Checking Account

A. Each resident broker who accepts any monies on behalf of a client in connection with the sale of real estate shall open and maintain a sales escrow checking account in a financial institution in the state of Louisiana. All sales escrow accounts shall be titled in the identical wording as stated on the broker's license and the wording "Sales Escrow Account" shall be imprinted on all checks and bank statements issued in connection with this account. Except as otherwise provided in this Chapter, all monies received by a broker in connection with the sale of real estate shall be deposited in this account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2703. Rental Trust Checking Account

A. Each resident broker engaged in the collection of rental payments on behalf of clients shall open and maintain a rental trust checking account in a financial institution in the state of Louisiana. All rental trust accounts shall be titled in the identical wording as stated on the broker's license and the wording "Rental Trust Account" shall be imprinted on all checks and bank statements issued in connection with this account. Except as otherwise provided in this Chapter, all monies collected as rental payments from or on behalf of clients shall be deposited into this account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2705. Security Deposit Trust Checking Account

A. Each resident broker engaged in the collection of rental security or damage deposits in connection with property management activities on behalf of clients shall open a security deposit trust checking account in a financial institution in the state of Louisiana. All security deposit trust accounts shall be titled in the identical wording as stated on the broker's license and the wording "Security Deposit Trust Account" shall be imprinted on all checks and bank statements issued in connection with this account. Except as otherwise provided in this Chapter, all monies collected as rental security deposits from or on behalf of clients shall be deposited into this account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2707. Account Affidavit

A. When requested to do so by commission personnel, a broker shall execute and submit to the commission an affidavit attesting to the existence, location and account number of a sales escrow checking account, rental trust checking account, or security deposit trust checking account, and authorizing and empowering the commission or its representatives to examine, inspect, and/or copy the records of the account. All such affidavits shall be submitted to and received by the commission within five days following such a request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2709. Non-Resident Brokers

A. Each non-resident broker shall open and maintain sales escrow checking accounts, rental trust checking accounts and security deposit trust checking accounts as specified for resident brokers. The accounts may be opened and maintained at a financial institution in the state of Louisiana or in a financial institution in the state in which they reside.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2711. Branch Office Accounts

A. A broker may open additional sales escrow checking accounts, rental trust checking accounts, and security deposit trust checking accounts to accommodate business transacted out of the branch offices.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2713. Signatory Rights on Checking Accounts

A. An individual real estate broker who maintains a sales escrow checking account, a rental trust checking account or a security trust checking account shall be an authorized signatory on each account maintained and the individual real estate broker shall be responsible for the proper maintenance and disbursement of the funds in the accounts. Granting authority to sponsored licensees and/or employees of the broker to sign checks on the accounts does not relieve the individual real estate broker of this responsibility.

B. The qualifying broker of a licensed corporation, partnership or limited liability company shall be an authorized signatory on sales escrow checking accounts, rental trust checking accounts and security deposit trust checking accounts maintained by the licensed entity and the qualifying broker shall be responsible for the proper maintenance and disbursement of the funds in the accounts. Granting authority to sponsored licensees, principals and/or employees of the licensed entity does not relieve the qualifying broker of this responsibility.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2715. Additional Accounts

A. Where the interest of the principal parties to a particular transaction or series of transactions would be served thereby, and with the prior written consent of the principal parties, a broker may open an additional sales escrow checking account, rental trust checking account or security deposit trust checking account in any financial institution in the state of Louisiana or the state in which a non-resident broker resides and deposit therein all monies received in trust on behalf of those parties pursuant to that particular transaction or series of transactions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:44 (January 2000).

§2717. Non-Interest Bearing Checking Accounts

A. Every sales escrow checking account, rental trust checking account or security deposit trust checking account shall be opened as a non-interest bearing checking account unless all parties having an interest in the funds to be deposited therein have agreed otherwise in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2719. Personal Funds in Escrow and Trust Checking Accounts

A. A sum not to exceed \$2,500 may be kept in each sales escrow checking account, rental trust checking account, and security deposit trust checking account, which sum shall be specifically identified and deposited to cover bank service charges relating to the accounts.

B. A broker may, in connection with property management activities, keep funds in excess of \$2,500 in a rental trust checking account for the temporary, limited and specific purpose of enabling the broker to satisfy financial obligations for or on behalf of clients.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2721. Withdrawal

A. No monies received and deposited into a sales escrow checking account, rental trust checking account, or security deposit trust checking account shall be withdrawn for any purposes except:

1. upon mutual written consent of all parties having an interest in the funds;
2. upon commission order;
3. upon court order;
4. for the purpose of depositing monies into the registry of the court in a concursus proceeding;
5. for the purposes of depositing the funds with the commission pursuant to Chapter 29;
6. to disburse funds from a sales escrow checking account to the appropriate party upon a reasonable interpretation of a contract for the sale of real estate;
7. for the purpose of returning the funds to a buyer at the time of closing;
8. to cover the payment of service charges on sales escrow checking accounts, rental trust checking accounts, and security deposit trust checking accounts with such payment being made from funds deposited into the accounts by the broker;
9. upon approval by the commission in connection with the sale or acquisition of a licensed entity; and
10. to comply with the provisions of R.S. 9:3251 or any other state or federal statute governing the transfer of rents, security deposits or other escrow funds.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2723. Deposits

A. Any money received in connection with a real estate transaction involving the sale, lease or management of real estate shall be deposited into the appropriate sales escrow checking account, rental trust checking account or security deposit trust checking account of the listing or managing broker unless all parties having an interest in the funds have agreed otherwise in writing.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2725. Account Closing

A. No sales escrow checking account, rental trust checking account, or security deposit trust checking account may be closed until such time as all deposits therein have been properly disbursed according to law. Every broker shall notify the commission in writing of the closing of any sales escrow checking account, rental trust account checking or security deposit trust checking account within 10 days following the date the account is closed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2727. Maintaining Accounts

A. Upon revocation, suspension or lapse of his license for any reason, or upon bankruptcy, a broker shall continue and maintain his sales escrow checking accounts, rental trust checking accounts, and security deposit trust checking accounts until such time as all deposits therein have been properly disbursed according to law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2729. Corporations, Partnerships and Limited Liability Companies

A. Every licensed corporation, partnership and limited liability company shall open and maintain sales escrow checking accounts, rental trust checking accounts, and security deposit trust checking accounts as specified for resident and non-resident brokers. All funds received from or on behalf of clients in any real estate transaction conducted by the corporation, partnership, or limited liability company as a licensee shall be deposited into these accounts.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:45 (January 2000).

§2731. Transfer of Trust Funds on Sale or Acquisition of Agency

A. When a licensed agency is sold or otherwise acquired by another licensed agency the sponsoring or qualifying broker of the acquiring agency will advise the commission in writing of the name of the agency acquired and the anticipated date of the transfer of trust funds. The letter notifying the commission of the acquisition will specify the account numbers of the sales escrow checking accounts, rental trust checking accounts, or security deposit trust checking accounts from which the funds will be transferred and the account numbers of the accounts into which the funds will be deposited.

B. A letter jointly signed by the sponsoring or qualifying brokers of the agency being acquired and the acquiring agency requesting that approval be granted for the transfer of funds will accompany the notification to the commission.

C. The transfer of funds shall not be accomplished until written approval has been granted by the commission in accordance with §2721.A.9 of this Chapter.

D. Within five working days following the transfer of funds a letter jointly signed by the sponsoring or qualifying brokers of the agency being acquired and the acquiring agency will be forwarded to the commission certifying that all trust funds have been transferred. The letter will include the following:

1. a certification that all sales escrow checking account, rental trust checking account, and security deposit trust checking account funds have been transferred to and received by the acquiring agency;

2. a certification that supporting documents for all trust funds have been delivered to and received by the acquiring agency;

3. a listing of all sales escrow checking accounts, rental trust checking accounts, or security deposit trust checking accounts from which a transfer was made and the amount of funds transferred from each account;

4. a listing of all sales escrow checking accounts, rental trust checking accounts, and security deposit trust checking accounts into which funds were deposited and the amount of funds deposited into each account.

E. The sponsoring or qualifying broker of the agency being acquired will close the escrow accounts and trust accounts from which the funds were transferred within 10 days following the transfer of funds and advise the commission in writing when such action has been completed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:46 (January 2000).

§2733. Change of Licensing Status

A. An individual real estate broker who elects to become exclusively affiliated with a sponsoring broker, and an active broker transferring to an inactive status, shall continue to maintain their sales escrow checking accounts, rental trust checking accounts and security deposit trust checking accounts until such time as all deposits therein have been properly disbursed according to law. As of the effective date of relationship with a sponsoring broker, or transfer to inactive status, no further trust funds shall be placed in the accounts. The transferring broker shall advise the commission in writing within five working days of the effective date of the transfer to the new status of the amount of funds in each escrow or trust account maintained, and the approximate date each account will be closed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:46 (January 2000).

Chapter 29. Disbursement of Escrow Deposits

§2901. Escrow Disputes

A. When a broker determines or has knowledge that a dispute exists as to the ownership or entitlement of a deposit or funds held in a sales escrow checking account, as a result of a real estate sales transaction, it shall be the obligation of the broker holding the funds to immediately notify in writing all of the parties and licensees involved of the dispute, and within 90 days of the scheduled closing date, or determination or knowledge that such a dispute exists, whichever shall first occur, to do one of the following:

1. disburse the funds upon the written and mutual consent of all of the parties involved;
2. disburse the funds upon a reasonable interpretation of the contract which authorizes the broker to hold such funds. Disbursement may not occur until 10 days after the broker has notified, in writing, all parties and licensees;
3. through a concursus proceeding, deposit the funds into the registry of any court of competent jurisdiction and proper venue;
4. deposit the funds including original promissory notes, with the Louisiana Real Estate Commission along with a request for an escrow disbursement order. This request shall include the names and last known addresses of the principals to the agreement, a copy of the purchase agreement, all forms required by the commission, and copies of any other documents which may have some bearing on the dispute. Note: In the event that the dispute is to be heard by the commission, it will require that the agents and/or brokers appear before the commission at its regularly scheduled meeting at which the dispute will be heard;
5. disburse the funds upon the order of a court of competent jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:46 (January 2000).

§2903. Escrow Disbursement Order

A. The Louisiana Real Estate Commission upon receipt of a request for an escrow disbursement order:

1. shall immediately cause the funds accompanying said request to be deposited in an interest bearing escrow checking account pending final disposition;
2. may commence an investigation by its staff of the dispute;
3. may, upon completion of an investigation, consider the investigative findings and at a regular or special meeting issue an escrow disbursement order providing for the disposition and allocation of funds which are being held in escrow and are in dispute;
4. may call an adjudicatory hearing before issuing an escrow disbursement order; or
5. may deposit the disputed funds into a concursus proceeding in any court of competent jurisdiction and proper venue.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:46 (January 2000).

Chapter 31. Reporting of Changes of Address or Telephone Number by Licensees, Registrants and Certificate Holders

§3101. Reporting

A. Every licensee, certificate holder and timeshare registrant shall report any changes in the business or residence address or telephone number to the commission in writing within 10 days of the change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

§3103. Changes in Data Provided by Corporations, Partnerships and Limited Liability Companies

A. Corporations, partnerships and limited liability companies licensed as real estate brokers shall file all reports required by any agency of this state when due and shall notify the commission at the time of the filing of the reports of any information in the reports which would constitute a change in the information filed with the commission by the licensed broker prior to the submission of the required reports.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

Chapter 33. Compensation

§3301. Full Knowledge

A. Licensees shall not accept compensation from more than one party without the written acknowledgment of all parties to the transaction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

Chapter 35. Disclosure by Licensee

§3501. Licensee as Principal in a Real Estate Transaction

A. A licensee acting as a principal in a real estate transaction, whether individually or through any entity in which he or she has an interest, shall disclose his or her status as a licensed real estate agent to all other principals in the real estate transaction, in writing, prior to entering into any real estate contract.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

Chapter 37. Agency Disclosure

§3701. Agency Relationships in Real Estate Transactions

A. Effective March 1, 1998, agency relations in real estate transactions will be governed by Chapter 4 of Code XV of Title 9 of the Louisiana Revised Statutes of 1950, comprised of R.S. 9:3891-3899.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

§3703. Agency Disclosure Informational Pamphlet

A. Licensees shall provide the agency disclosure informational pamphlet to all parties to a real estate transaction involving the sale or lease of real property.

B. The agency disclosure informational pamphlet may be obtained from the commission in a form suitable for use by licensees in reproducing the pamphlet locally. Licensees are responsible for ensuring that the pamphlets are the most current version prescribed by the commission and that reproductions of the pamphlet contain the identical language prescribed by the commission.

C. Licensees will provide the agency disclosure informational pamphlet to prospective sellers/lessors and buyers/lessees at the time of the first face-to-face contact with the sellers/lessors or buyers/lessees when performing any real estate related activity involving the sale or lease of real property, other than a ministerial act as defined in LSA-R.S. 9:3891(12).

D. Licensees providing agency disclosure informational pamphlets to prospective sellers/lessors and buyers/lessees shall ensure that the recipient of the pamphlet signs and dates the receipt included in the pamphlet. The licensee providing the pamphlet shall sign the receipt as a witness to the signature of the recipient, and the licensee will retain the signed receipt for a period of five years.

E. In any circumstance in which a seller/lessor or a buyer/lessee refuses to sign the receipt included in the agency disclosure informational pamphlet, the licensee shall prepare written documentation to include the nature of the proposed real estate transaction, the time and date the pamphlet was provided to the seller/lessor or buyer/lessee, and the reasons given by the seller/lessor or buyer/lessee for not signing the receipt. This documentation will be retained by the licensee for a period of five years.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

§3705. Dual Agency Disclosure

A. The dual agency disclosure form will be used by licensees acting as a dual agent under R.S. 9:3897.

B. The dual agency disclosure form shall be obtained from the commission in a form suitable for use by licensees in reproducing the form locally. Licensees are responsible for ensuring that the form is the most current version prescribed by the commission and that reproductions of the form contain the identical language prescribed by the commission.

C. Licensees shall ensure that the dual agency disclosure form is signed by all clients at the time the brokerage agreement is entered into or at any time before the licensee acts as a dual agent, but in no event later than when a purchase agreement is entered into by the clients.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:47 (January 2000).

Chapter 39. Presentation of Offers and Counter Offers

§3901. Timely Presentation of Offers and Counter Offers

A. All written offers and counter offers for the purchase of real estate shall be presented to all buyers and/or sellers for their consideration and decision immediately, without delay.

B. The licensee who prepares an offer or counter offer in a real estate transaction shall ensure that the time of day and date the offer or counter offer was signed by the offering party are included in the document.

C. The licensee who presents an offer or counter offer in a real estate transaction shall ensure that the time of day and date the offer or counter offer was accepted, rejected or countered are included in the document.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§3903. Negotiations in Exclusive Agency Contracts

A. Negotiations concerning property listed exclusively with a broker shall be carried on with the listing broker or agent designated by the listing broker, not the owner, except with the expressed consent of the listing broker.

B. Negotiations with a buyer who has entered into an exclusive buyer agent contract with a licensed broker shall be carried on with the licensed broker, or agent designated by the licensed broker, not the buyer, except with the express consent of the licensed broker.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§3905. Cooperative Transactions

A. Licensees receiving written offers or counter offers in cooperative transactions shall annotate the offers or counter offers to indicate the time of day and date the offers or counter offers were received.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§3907. Rejection of Offers and Counter Offers

A. All written offers and counter offers presented to a seller and/or buyer and not accepted shall be clearly marked as rejected and signed by the seller and/or buyer. In any circumstance in which a seller and/or buyer refuses to sign a rejected offer or counter offer, the licensee making the presentation of the offer or counter offer shall annotate this fact indicating the time of day and date of the rejection of the offer or counter offer by the seller and/or buyer. A copy of the rejected offer or counter offer signed by the seller and/or buyer, or a copy of the rejected offer or counter offer bearing the annotation of the licensee, shall be provided to the buyer and/or seller, and the rejected offer or counter offer shall be returned to the prospective buyer and/or seller within five days after the signature or annotation is affixed to the document.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§3909. Broker's Authority to Reject Offers or Counter Offers

A. In the event the owner (seller) is not available and grants authority to the listing broker to reject an offer or counter offer, the listing broker or a licensee designated by the listing broker shall mark the offer or counter offer as rejected and sign the offer or counter offer as such in lieu of the owner (seller), but the listing broker or licensee designated by the listing broker shall nevertheless forward a copy of the rejected written offer or counter offer to the owner (seller) for his signature acknowledging the rejection of the offer or counter offer. The copy of the rejected offer or counter offer signed by the owner (seller) shall be retained in the files of the listing broker. In the case of a cooperative transaction, the cooperating listing broker shall provide a copy of the rejected offer or counter offer bearing the signature of the owner to the cooperating selling broker within five days after the signed rejection is received from the owner.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

Chapter 41. Investigations and Hearings

§4101. Complaints

A. Complaints alleging violations of the Louisiana Real Estate License Law and/or Rules and Regulations of the Commission shall bear the signature of the complainant or that of his or her legal representative before any action will be taken thereon by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§4103. Addition of Respondents to Investigations

A. If during the conduct of an investigation documented probable cause is established indicating that violations of the Louisiana Real Estate License Law and/or Rules and Regulations of the Commission have been committed by licensees, timeshare registrants, or certificate holders other than the licensee, timeshare registrant, or certificate holder against whom the original complaint was made, the additional licensees or timeshare registrants may be added as respondents to the investigation in the absence of any written complaint alleging such violation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:48 (January 2000).

§4105. Executive Director May Authorize Investigation

A. Upon documented probable cause, the executive director of the Louisiana Real Estate Commission may issue written authorization to investigate apparent violations of the Louisiana Real Estate License Law and/or the Rules and Regulations of the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:49 (January 2000).

§4107. Adjudicatory Proceedings

A. When, as a result of an investigation, it appears that violations of the Louisiana Real Estate License Law may have been committed by a licensee, registrant or certificate holder, the violations may be adjudicated through informal or formal adjudicatory proceedings.

1. Informal Adjudicatory Proceedings

- a. The complaint may be concluded informally without a hearing by the commission on the recommendation of the hearing examiner and the concurrence of the executive director.

- b. A preliminary notice of adjudication will be issued to advise the respondent of the violation or violations alleged and to advise the respondent that the matter can be resolved informally should the respondent desire to admit to committing the act or acts specified and submits a written request that the matter be resolved informally.

- c. A hearing officer will be appointed by the executive director to conduct an informal hearing with the respondent.

- d. The informal hearing will be attended by the case investigator, or in the absence of the case investigator, the chief real estate examiner, who will respond to questions concerning the investigation which resulted in the allegations, and the hearing examiner, who will inform the hearing officer of the administrative, jurisdictional, and other matters relevant to the proceedings. No evidence will be presented, no witnesses will be called and no formal transcript of the proceedings will be prepared by the commission. Statements made during the informal proceedings may not be introduced at any subsequent formal adjudicatory proceedings without the written consent of all parties to the informal hearing.

- e. Following an admission by the respondent at the informal hearing that violations were committed as alleged, the hearing officer may enter into a recommended stipulations and consent order to include the imposition of any sanctions authorized by the Louisiana Real Estate License Law. In the written document the respondent must stipulate to having committed an act or acts in violation of the Louisiana Real Estate License Law or the Rules and Regulations of the Commission, accept the sanctions recommended by the hearing officer, and waive any rights to request a rehearing, reopening, or reconsideration by the commission, and the right to judicial appeal of the consent order.

- f. If at the informal hearing the respondent does not admit to having committed the act or acts specified, does not accept the sanctions recommended by the hearing officer, or does not waive the specified appellate rights, the alleged violations shall be referred to a formal adjudicatory hearing.

- g. If the respondent does execute a stipulations and consent order, the executive director shall submit the document to the commission at the next regular meeting for approval and authorization for the executive director to execute the consent order in the name of the commission.

- h. The actions of the commission relative to all consent orders shall be noted in the minutes of the meeting at which the consent order is considered and at which authorization is granted to the executive director to execute the order in the name of the commission.

- i. Any consent order executed as a result of an informal hearing shall be effective on the date approved by the commission.

2. Formal Adjudicatory Proceedings

- a. All formal public adjudicatory hearings shall be conducted under the auspices of R.S. 37:1456 and Chapter 13 of Title 49 of the Louisiana Revised Statutes.

- b. The order issued by the commission pursuant to any formal public adjudicatory proceeding shall become effective on the eleventh day following the date the order is issued by the commission and entered into the record at the proceedings.

- c. The date of entry is the date the order is issued by the commission and entered into the record at the formal adjudicatory proceedings.

- d. If a request for rehearing, reopening, or reconsideration of the order of the commission is timely filed and denied by the commission, the order of the commission shall become final on mailing of the notice of the commission's final decision on the request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:49 (January 2000).

§4109. Appellate Proceedings

- A. Rehearings

1. An order of the commission shall be subject to rehearing, reopening or reconsideration by the commission on receipt of a written request from a respondent. An application for rehearing, reopening or reconsideration must be postmarked or received at the office of the commission within 10 days from the date of entry of the order rendered by the commission.

2. The request shall be reviewed by the commission attorney for compliance with the Administrative Procedure Act. A finding by the commission attorney that the request does not establish grounds for rehearing, reopening or reconsideration shall result in a denial of the request.

B. Judicial Review

1. Proceedings for judicial review of an order issued by the commission may be instituted by filing a Petition for Judicial Review in the Nineteenth Judicial District Court in the parish of East Baton Rouge.

2. In the event a request for rehearing, reopening or reconsideration has been filed with the commission, the party making the request shall have 30 days from the final decision on the request within which to file a petition for judicial review.

3. If a request for rehearing, reopening or reconsideration is not filed with the commission, the Petition for Judicial Review must be filed in the Nineteenth Judicial District Court within thirty days after the mailing of the order of the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:49 (January 2000).

§4111. Stay of Enforcement

A. The filing of a petition for judicial review by a respondent licensee does not itself stay enforcement of an order issued by the commission. A stay of enforcement will be granted only when directed by the court conducting a judicial review of adjudication.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

§4113. Costs of Adjudicatory Proceedings

A. On a finding that a respondent has committed the violations as alleged in any formal or informal adjudicatory proceedings, the commission may assess the respondent the administrative costs of the proceeding, as determined by the commission. Payment of these costs shall be a condition of the reinstatement of any license, registration, or certificate issued by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

Chapter 43. Licensee, Timeshare Registrant, and Certificate Holder Responsibilities

§4301. Knowledge of the Law

A. It shall be the duty of all licensees, certificate holders, and timeshare registrants to have knowledge and be aware of all laws regulating the real estate industry in Louisiana including, but not limited to, these Rules and regulations and the Louisiana Real Estate License Law as set forth in Chapter 17, Title 37 of the Louisiana Revised Statutes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

Chapter 45. Franchise Operations

§4501. Registration of Franchise Name

A. Unless registered in Louisiana with the Louisiana Real Estate Commission as hereinafter specified, no person, partnership, limited liability company, or corporation shall offer for sale, lease, rent, or use in any way, any franchise name to be publicly utilized or used by a licensed Louisiana real estate broker.

B. Any name or trade name used by a franchisor or franchisee shall be a name or trade name that is a clearly identifiable entity that will distinguish itself from other franchisors or franchisees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:830 (April 2002).

§4503. Registration of Franchise Operation

A. Unless registered in Louisiana with the Louisiana Real Estate Commission as hereinafter specified, no person, partnership, limited liability company, or corporation engaged in a franchise operation of real estate brokerage firms shall operate in Louisiana.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

§4505. Application for Registration

A. Any person, partnership, limited liability company, or corporation which intends to operate or do business as a franchiser of real estate brokerage firms in Louisiana shall make application to the Louisiana Real Estate Commission for registration. Applications for registration shall contain the following information and supporting documents:

1. name, address, and whether the applicant is a person, partnership, limited liability company, or corporation;

2. partnership and limited liability companyCthe names and addresses of all partners or principals;

3. corporationCnames and addresses of officers and members of the board of directors and the place of incorporation;

4. partnership, limited liability company, or corporationCa certified copy of the articles of incorporation or the document establishing the partnership or limited liability company;

5. a certified, audited financial statement disclosing the current financial condition of the applicant;

6. a statement of the business activities of the applicant, including a description of the franchise agreement to be used in connection with the Louisiana real estate brokers, and a list of the states in which the franchiser is qualified to do and/or is doing business.

B. Upon receipt of the application for registration, the commission may require such additional information as it deems necessary.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

§4507. Agent for Service of Process

A. If the applicant is not a resident of Louisiana, it shall appoint a licensed active Louisiana individual real estate broker to act as the applicant's agent for the service of all judicial process or legal notices directed to such applicant. Service upon the agent so designated shall be equivalent to personal service upon the applicant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

§4509. Annual Registration

A. If the requirements set forth herein are met the commission shall register the franchiser for a period of one year. The franchiser shall then renew each year by furnishing the commission with all information as would modify or change the information previously submitted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:50 (January 2000).

§4511. Renewal Requirements

A. Each application for renewal by a franchiser shall be submitted on or before January 15 of each year and shall reflect the information required by the commission for the preceding year.

B. Any application for renewal by the franchiser shall also include the name and address of any licensed Louisiana broker that is operating under a franchise agreement with the franchiser.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

§4513. Penalty

A. Any person, partnership, limited liability company, or corporation which operates in Louisiana as a franchiser of real estate brokerage firms, without the specific authority to do so as granted by the Louisiana Real Estate Commission, shall be subject to a penalty of the refusal by the commission to allow said person, partnership, limited liability company,

or corporation to operate or do business in Louisiana for a period of at least one year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

§4515. Violations of Law

A. The commission shall have the power to withdraw any registration and/or issue a cease and desist order, after a hearing, to any franchiser that is subject to these Rules and regulations, upon determination that any federal or state law or commission regulation has been or will be violated.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

Chapter 47. Waiver of Renewal Requirements

§4701. Veteran Waiver

A. Licensees who are inducted into military service or those licensees in the military who are transferred out of state shall, upon furnishing appropriate evidence of their honorable service, be entitled to renewal of their licenses, without penalty, provided application is filed within six months following discharge. The provisions of this Section shall extend to spouses of persons described herein above who were licensed at the time of such induction or transfer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

Chapter 49. Reciprocity

§4901. Licensing

A. The commission may enter into a reciprocal agreement with the appropriate authority of any other state to permit any resident of that other state who is licensed there as a real estate broker or salesperson to obtain an equivalent Louisiana non-resident license and engage in the real estate business in Louisiana if that other state agrees to similarly grant a non-resident license to any Louisiana resident broker or salesperson and permit the licensee to engage in the real estate business in that other state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

§4903. Requirements for License

A. Any person residing in and licensed as a real estate broker or salesperson in a state whose appropriate authority has entered into a reciprocal agreement with the commission

shall be granted an equivalent non-resident license by the commission upon applying and complying with the following requirements:

1. providing the commission with sufficient proof of his licensing by his resident state;
2. paying all fees prescribed for an equivalent Louisiana resident license;
3. filing an irrevocable Appointment of Agent for Service of Process with the commission appointing the executive director as the licensee's agent for service of process in all matters arising out of or in conjunction with any real estate activities conducted by the licensee in Louisiana;
4. corporation-procuring a certificate of authority to do business in Louisiana from the Louisiana Secretary of State and providing the commission with a copy; and
5. partnership or limited liability company-procuring a certificate of registry as a foreign partnership from the Louisiana Secretary of State and providing the commission with a copy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

§4905. Non-Resident Licensee

A. The non-resident licensee is bound, in all respects, by the provisions of the Louisiana Real Estate Licensing Law (R.S. 37:1431, et seq.) and these regulations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

Chapter 51. Out-of-State Broker Cooperation

§5101. Broker Cooperation

A. A Louisiana broker may cooperate with a licensed broker of another state in the sale, lease or management of real property located in Louisiana within the limits provided in the Louisiana Real Estate License Law and Rules and Regulations of the Commission under the following conditions.

1. The sale, lease or management shall be handled under the direct supervision and control of the Louisiana broker who shall take full responsibility for all actions of the out-of-state broker. All advertising of any kind must contain the names of both the Louisiana licensed broker and the out-of-state broker. The out-of-state broker may place a sign on real property located in Louisiana with the written consent of the Louisiana licensed broker.

2. Any monies collected on behalf of others shall be maintained in the Louisiana broker's sales escrow checking

account, rental trust checking account or security deposit trust checking account unless all parties having an interest in the funds to be deposited therein have agreed otherwise in writing.

3. In each instance herein where a Louisiana broker enters into a cooperating agreement with an out-of-state broker for the sale, lease or management of Louisiana real property, the Louisiana broker must file one copy of a cooperating agreement with the Louisiana Real Estate Commission prior to the property being advertised, shown, or any contract taken. A written cooperating agreement describing the property involved must be filed for each separate transaction. This agreement must contain verbiage wherein both the Louisiana broker and the out-of-state broker agree to sign all written reports and contracts and comply with the Louisiana Real Estate License Law and Rules and Regulations of the Commission in all respects.

4. Any fee or commission received as a result of a cooperative transaction shall be paid to the Louisiana broker who will, in turn, compensate the out-of-state broker. The percentage of fees or commission to be received by the Louisiana broker and the out-of-state broker shall be negotiable between the two parties and shall be agreed upon, in writing, by the parties in their cooperative agreement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:51 (January 2000).

§5103. Referral Fees

A. A licensed broker in this jurisdiction may divide or share a real estate commission with a licensed broker in another jurisdiction whenever the licensed broker in the other jurisdiction acts only as a referral agent who is not involved in the actual negotiations, execution of documents, collections of rent, management of property, or other real estate brokerage activity in a real estate transaction which involves more than the mere referral of a client or customer to the licensed broker of this jurisdiction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000).

§5105. Jurisdiction over Out-of-State Activities

A. The commission shall have the power to impose any sanction permitted by this law on any licensee of this jurisdiction who performs or attempts to perform any of the acts of a licensee on property located in another jurisdiction without first having been properly licensed in that jurisdiction or otherwise having fully complied with that jurisdiction's laws regarding real estate brokerage.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000).

Chapter 53. Real Estate Schools

§5301. Education Division

A. The Louisiana Real Estate Commission does hereby create the Education Division which shall be responsible for real estate school, instructor, and continuing education vendor certification. The Education Division shall administer on behalf of the commission all regulations, laws and other matters pertaining to real estate education programs under the jurisdiction of the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000).

§5303. Approval of Schools

A. The following regulations apply to real estate schools seeking approval to conduct a course of education in real estate subjects for prelicensing requirements as prescribed under R.S. 37:1460.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000).

§5305. Course Curriculum

A. The commission shall require certified real estate schools to meet content requirements established by the commission in courses offered for salesperson and broker prelicensing credits.

B. Courses of instruction offered by certified real estate schools shall be designated as follows.

1. Real Estate 101C90 hour course in real estate principles/practices, Louisiana Real Estate License Law, Commission Rules and Regulations, Law of Agency and Civil Law pertaining to real estate licensees.

2. Real Estate 201C90 hour basic real estate fundamentals review for broker applicants.

3. Real Estate 202C30 hour course on Louisiana License Law, Rules and Regulations of the Commission, Law of Agency and Louisiana Civil Law pertaining to real estate licensees.

4. Real Estate 203C30 hour broker responsibilities course.

C. The commission may approve real estate course work obtained through colleges, universities, nationally recognized institutes or other sources for credit toward the salesperson or broker prelicensing requirement. No waiver will be granted for Real Estate 202 and Real Estate 203 when required as a condition of licensing; however, the Education Division may authorize the substitution of course work obtained from other educational sources if it is determined that such courses are equivalent to the content requirements of Real Estate 202 or Real Estate 203.

D. In addition to traditional in-class prelicensing course offerings, the commission may approve prelicensing courses offered through distance education delivery methods. As used in this Chapter, a distance education delivery method is defined as internet-based instruction in which instruction takes place in other than a classroom setting, the instructor and the student are in physically separate locations, and interactive instructional methods are provided. The commission will approve only those courses through distance education delivery methods that are Internet-based instruction. Each course must meet the following standards:

1. be certified by the Association of Real Estate License Law Officials (ARELLO);

2. provide interactive instruction and teach to mastery;

3. provide a structured learning method that includes major units, clear objectives, modules of instruction, quantitative criteria, diagnostic assessments and remediations;

4. meet the content requirements and equivalent hours required by the commission for in-class presentations;

5. be offered by a Louisiana state certified real estate school;

6. college and university academic credit distance learning courses, if part of a college or university credit curriculum, must be individually approved by the commission, but may use course delivery methods not limited to the Internet.

E. Prior to submitting an application to the commission for approval of prelicensing education courses via Internet-based distance education, the school must apply for and receive approval of the method of course delivery for the proposed course from the Association of Real Estate License Law Officials (ARELLO). Only those courses that meet the commission's standards for course content and equivalent hours will be granted approval by the commission. After receiving approval from ARELLO, the school must file an application with the commission and include the complete application as filed with ARELLO.

F. Loss of ARELLO certification for a prelicensing course offered via Internet-based education will automatically suspend commission approval of this course.

G. As used in this Chapter, interactive means the course structure and technologies promote active student involvement with the course content, including the ability to:

1. access or bypass optional content, if applicable;

2. submit questions or answer test items, and receive direct feedback; and

3. communicate with the instructor and/or other students on an immediate or reasonably delayed basis. Interactive instruction specifically excludes courses that only provide passive delivery of instructional content.

H. Colleges and university academic credit courses for distance learning will not be required to be ARELLO approved if part of a college or university curriculum. Any

other distance learning courses offered to the general public outside of a curriculum program must be ARELLO approved.

I. As used in this Chapter, college or university is defined as one who offers at least a two-year degree approved by the Louisiana Board of Regents or equivalent regulatory body in any other state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:486 (March 2002).

§5307. Certificate of Authority

A. No person shall operate a real estate school from which the commission will accept a certificate of completion in satisfaction of preclicensing requirements unless such person applies for and is granted a certificate of authority in good standing issued by the commission.

B. No certificate of authority shall be issued or renewed for any school applicant holding a real estate broker license whose school is designed, intended and/or primarily used for instruction of that same broker/owner's future salesperson or broker affiliates.

C. Each applicant for a certificate of authority to operate a real estate school shall comply with the following:

1. file with the commission a fully completed application on forms prescribed by the commission and accompanied by appropriate fees as provided in R.S. 37:1443;

2. submit with the application three letters of reference from responsible parties which provide information relating to the applicant's integrity, character, and/or qualifications and experience in real estate or related education;

3. at application, or prior to final approval of the certificate of authority, and for each renewal period thereafter, furnish proof of coverage of a school surety bond as issued by an insurance company authorized to do business in this state, conditioned for the protection of the contractual rights of those real estate students attending said school and in the amount of \$10,000.

D. The commission shall issue a certificate of authority to operate a real estate school upon a determination that the applicant has met all requirements of certification.

E. Certificates of authority issued under this Section shall be valid for a maximum of one year and shall expire on December 31 of each year.

F. Failure to submit a timely application for renewal of a certificate of authority by December 31 may result in an assessment of a delinquent penalty as provided in the Louisiana Real Estate License Law. The period for delinquent renewal of an expired certificate of authority will be limited to the six-month period immediately following

the expiration date of the certificate of authority. Thereafter, the application will be treated as an initial application insofar as fees and filing information are concerned.

G. Real estate schools shall not schedule courses which will extend beyond December 31 unless renewal of the certificate of authority has been applied for and approved by the commission.

H. All Louisiana state and private colleges and universities where a real estate course is given in a regular curriculum are exempt from filing for this certificate of authority. The commission reserves the right to require compliance with all requirements of this Section, except for assessment of application fees, from those courses offered through continuing education divisions of colleges and universities.

I. State vocational-technical schools or parish school boards which conduct courses in real estate and receive certification from the commission shall meet all requirements required of proprietary schools except for application fee requirements.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:52 (January 2000).

§5309. School Owners and School Directors

A. Each approved school shall designate a school director who shall be responsible to the commission for all aspects of operation of the school, to include the specific courses of education to be conducted and submission of reports and other information required or requested by the commission.

B. School directors shall coordinate school branch locations and disseminate information pertaining to changes in the license law, Rules and regulations, or policies of the commission to all staff, instructors, and school employees.

C. School owners and school directors shall cooperate with commission personnel in all matters pertaining to the administration of the school and shall appear and testify under oath at any hearing held by the commission when requested to do so.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:53 (January 2000).

§5311. Instructor Qualifications

A. Except for guest lecturers, persons instructing at a state certified school must be state certified by the commission or hold an equivalent certification or designation acceptable to the commission.

B. Any applicant applying for a state certified real estate instructor certificate shall file an application with the commission in such form as prescribed by the commission and accompanied by appropriate fees as prescribed in R.S.

37:1443, provide proof of passing a real estate instructor assessment examination specified by the commission, and possess at least one of the following qualifications:

1. a bachelor's degree with a major in real estate from an accredited college or university;
2. a bachelor's degree from an accredited college or university and at least two years experience in the real estate business;
3. a real estate broker license and a minimum of five years experience in the area of proposed study;
4. a Juris Doctorate degree or the equivalent from an accredited law school and a minimum of three years experience in the area of the proposed study;
5. two years experience as a qualified instructor or professor in the business, finance or economics department of an accredited college or university; or
6. any qualifications which in the opinion of the commission constitute the equivalent of one or any combination of the above mentioned qualifications.

C. An instructor certificate shall be issued only after a determination has been made by the commission that the applicant has met the requirements of certification.

D. Instructor certificates issued under the provisions of this Section shall be valid for a maximum of one year and shall expire on December 31 of each year.

1. Failure to renew an instructor certificate by December 31 may result in the assessment of a delinquent penalty as provided in the Louisiana Real Estate License Law. The period for delinquent renewal of an instructor certificate will be limited to the six-month period immediately following the expiration date of the certificate. Thereafter, the application will be treated as an initial application insofar as fees and filing information are concerned.

2. Any application for renewal of an instructor certificate must be accompanied by proof of the applicant's successful completion of eight hours of continuing education course work approved by the commission and completed during the current certification period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:53 (January 2000).

§5313. Guest Lecturers

A. Persons selected by approved schools to instruct as a guest lecturer in an approved prelicensing course shall meet at least one of the following qualifications:

1. a college or university professor in real estate, finance, economics, or a related field;
2. a specialist with a degree or professional designation with expertise in the specific topic of instruction;

3. a licensed real estate professional with at least five years experience in the area of proposed instruction.

B. Guest lecturers shall not be utilized as instructors in prelicensing courses pertaining to the Louisiana Real Estate License Law or the Rules and Regulations of the Commission.

C. Guest lecturers shall not be used by approved schools as staff instructors. The commission may require that guest lecturers teaching on a regular basis be required to apply for and obtain certification as a real estate instructor under §5311 of this Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000).

§5315. School Facilities

A. Every school shall utilize facilities meeting the following standards.

1. The premises, equipment and facilities of the school shall comply with all local, city, parish and state regulations, such as fire codes, building and sanitation codes.

2. The school shall provide adequate space, seating, equipment, and instructional material to accommodate the number of students enrolled and in attendance.

B. Facilities are subject to inspection by representatives of the commission prior to approval or subsequent thereto during regular school hours.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000).

§5317. School Records

A. Real estate schools shall maintain accurate and properly indexed records on all students for at least a five year period after course completion and shall make those records available for inspection upon request of the commission or its representatives.

B. Real estate school records shall include, but are not limited to, the following information:

1. complete name and address of each student;
2. total classroom hours and title(s) of courses undertaken by each student;
3. dates of attendance at those courses by each student;
4. test scores or pass/fail indication for each student;
5. copy of student contract.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000).

§5319. Tuition/Fees and Student Contract

A. Each real estate school shall enter into a written contract with each of its students.

B. The tuition and fees charged by the school for a specific course of instruction shall be clearly set forth in each student's contract, and a copy of the contract, signed by an authorized representative of the school, shall be provided to the student immediately after the contract is signed by both parties.

C. If additional fees are to be charged for supplies, materials or required books, these charges shall be clearly itemized by the school in the student contract, and such supplies, materials or books shall become the property of the student upon payment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000).

§5321. Course Reporting Requirements

A. Real estate schools shall submit, in a timely manner, information concerning schedules, class locations, attendance reporting affidavits and other related information as required by the commission. The commission will provide each school with the necessary forms and instructions for reporting course scheduling and completion.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000).

§5323. Certificates of CompletionC Classroom or Equivalent Hours

A. Each real estate school shall provide an individual certificate of completion or comparable completion verification to each student only upon successful completion of a course of study. Such verification shall include student name, date of completion, course level, number of hours or equivalent hours completed, and shall be signed by the school director or an authorized designee.

B. No certificate of completion shall be accepted from any real estate school that is not in good standing with the commission on the date of certificate issuance.

C. Credit shall not be given for any classroom hour consisting of less than 50 minutes of instruction and/or study. A classroom hour is defined as 60 minutes, of which 50 minutes are instruction. The prescribed number of classroom hours may include time devoted to examinations which are considered to be part of the course. Real estate schools shall not give credit to any student for completing more than eight hours of instruction in one calendar day.

D. In compliance with requirements of the Americans with Disabilities Act (ADA), alternative methods of course delivery are permitted to accommodate students with special needs. Such alternative arrangements shall be documented by the school and reported to the commission prior to the beginning of the course.

E. Equivalent hours, as used in this Chapter, means the time required for the average student to master the required content in a preclicensing course of instruction through an approved internet-based distance education course that is equivalent to the in-class preclicensing course.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:54 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:487 (March 2002).

§5325. Prohibition against Recruiting

A. No person shall at any time, while on the premises of a certified real estate school, discuss the sponsorship of any student by any licensee of the commission. Schools shall display the following statement in classrooms where preclicensing courses are being taught and the school director shall ensure that the instructor of each orientation session read the following statement to the students at the beginning of the session:

"No person shall discuss the sponsorship of any student by any licensee of the commission while on the school premises, or by any means, verbal or written, conduct any activity which in any way relates to the future sponsorship of any student by any licensee of the commission."

B. Unless an exemption has been applied for and granted by the commission as specified in this Section, an applicant for a real estate license cannot, for a period of one year after successful completion of real estate preclicensing education, be licensed with the sponsoring broker of an owner, instructor, guest lecturer or member of the administrative staff of the real estate preclicensing school attended by said applicant. Applicants for licensing may request a waiver of this regulation provided the following conditions are met.

1. An application for exemption shall be submitted on an affidavit form provided by the commission and contain a notarized statement from applicant and sponsor attesting to the fact that their decision to affiliate was in no way influenced by said broker's affiliation with a state certified real estate school.

2. Request shall be received and acted upon by the commission at least 10 days prior to the applicant's enrollment in a scheduled preclicensing course of study. Waiver of the 10-day requirement will be granted only upon a determination by the commission that extenuating circumstances prevented the timely filing of the exemption request.

C. No brokerage firm may operate a real estate school under the same legal entity as the brokerage firm.

D. No real estate school shall be operated in an office that is also utilized for the operation of a brokerage firm. For the purpose of this rule, operation by a real estate school shall mean the conducting or doing business in any manner including, but not limited to, the holding of classes, the instruction of students, the use of telephone lines, the occupying of office space, and the enlistment, solicitation and/or recruitment of potential students or licensees.

E. No real estate school may provide any name or list of names of any potential licensees or students whether potential or enrolled in any real estate school to anyone other than the Louisiana Real Estate Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000).

§5327. Change of Address

A. Every certified real estate school, school director and certified real estate instructor shall report any change in the address or phone number of a business or residence to the commission within 10 days of the change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000).

§5329. School Advertising

A. Advertising by certified schools shall be clear, concise and accurate. All advertisements shall be in the name of the real estate school as certified by the commission.

B. Any advertising which includes price quotes for a course shall accurately reflect total costs including any books and materials required for the course.

C. The commission may require that a school furnish proof of any of its advertising claims. Retractions of unfounded advertising claims may be ordered by the commission. Such retractions shall be published in the same manner as the original claim and be paid for by the violator.

D. Real estate school advertising shall not be combined with any advertisement of a real estate brokerage business or vice versa.

E. Certified real estate schools shall not advertise or offer any guarantee to pass the state real estate licensing examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:487 (March 2002).

§5331. School Inspections

A. Real estate schools certified by the commission shall be subject to review and periodic audits by official representatives of the commission. Representatives may observe classroom activities, evaluate course content, instructor proficiency, and/or audit school reporting/attendance records to ensure that courses are being conducted in accordance with the provisions set forth in R.S. 37:1460 and this Chapter. If the school is determined to be deficient in any of these areas, a deficiency report specifying the areas of deficiency and a date by which the deficiencies

are to be corrected will be provided to the school by the commission. Any school receiving a deficiency report shall correct any deficiencies noted by the date designated by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000).

Chapter 55. Real Estate Post Licensing and Continuing Education Vendors

§5501. Vendor Approval

A. The following regulations apply to entities seeking approval to conduct educational courses to meet real estate post licensing and continuing education requirements.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000).

§5503. Application

A. Any entity desiring to act as an approved real estate post licensing and/or continuing education vendor shall file an application with the commission. Each initial application shall be fully completed, notarized and accompanied by the following:

1. a financial statement of the person, partnership, corporation or legal entity which is seeking an approved education vendor certificate;
2. three letters of reference from responsible persons with information relating to applicant's integrity, character, responsibility and/or qualifications and experience in real estate education;
3. appropriate fees as required;
4. name, address and biographical information on each proposed instructor;
5. complete information on each proposed course offering; and
6. any additional information as requested and deemed necessary by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:55 (January 2000).

§5505. Bond Requirement

A. Each initial and renewal applicant for an approved post licensing and/or continuing education vendor certificate shall obtain and file with the commission proof of coverage of a \$5,000 surety bond as issued by an insurance company authorized to conduct business in this state. The bond shall be in favor of the state of Louisiana and conditioned for the protection of the contractual rights of those students

attending post licensing and/or continuing education courses of said vendor. In cases where state certified preclicensing real estate schools apply for and obtain a post licensing and/or continuing education vendor certificate, the school's required \$10,000 surety bond may be used to satisfy the requirements for preclicensing, post licensing and continuing education bond coverage.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000).

§5507. Application Review

A. An initial application shall be reviewed and acted upon no later than 30 days from the date the application is received at the commission office. If the application is rejected, the applicant may appeal the decision to the commission. If such an appeal is made, the applicant will be required to appear before the commission at a regularly scheduled meeting to speak on behalf of and to respond to questions and concerns pertaining to the application. If the application is denied by the commission no further appeal will be granted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000).

§5509. Application Approval

A. Upon approval of any initial application for an approved vendor certificate, the Education Division shall assign an approved vendor number to the person, partnership, corporation or legal entity granted approved vendor status. The approved vendor number shall appear in any advertisements of approved courses by the vendor.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1435.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000).

§5511. Application Denial

A. When an applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or a crime involving moral turpitude in any court of competent jurisdiction, such untrustworthiness of the applicant, and the conviction, may in and of itself be sufficient grounds for refusal of a certificate.

B. When an applicant has made a false statement of material fact on his application, such false statement may in and of itself be sufficient grounds for refusal of a certificate.

C. Previous revocation of a real estate license held by an applicant shall also be grounds for refusal to grant a certificate.

D. In addition to the grounds for denial of an application specified in A through C of this Section, an application for an approved vendor certificate may be rejected if the applicant fails to qualify in one or more of the following areas:

1. financial stability of applicant;
2. experience and capability of entity requesting approved vendor certificate;
3. experience and capability of proposed instructors;
4. suitability or quality of proposed course offerings.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000).

§5513. Certificate Renewal

A. Approved vendor certificates shall be granted on a calendar year basis, expiring on December 31 of each year. Failure to submit a timely application for renewal by December 31 shall result in an assessment of a delinquent penalty. The period for delinquent renewal of an approved vendor certificate will be limited to the six-month period immediately following the expiration date of the certificate. Thereafter, the application will be considered as an initial application insofar as fees and filing information are concerned.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000).

§5515. Eligibility of Courses

A. Post Licensing

1. Approved post licensing courses must be open to all licensees subject to post licensing requirements, regardless of broker affiliation. Each course acceptable for credit toward fulfillment of the 30-hour post licensing requirements for salespersons or brokers must be a minimum of four hours in length and require passage of an examination on course contents as conditions for receiving a post licensing certificate.

2. Approved continuing education courses which do not require an examination will not be considered toward post licensing requirements.

3. Approved schools and vendors shall not incorporate post licensing instruction and hours with preclicensing and/or continuing education instruction and hours.

4. Approved real estate schools shall not grant preclicensing educational credit to students enrolled in a salesperson preclicensing educational course for attendance at any continuing education and/or post licensing education course(s) presented by the school for real estate licensees.

5. Approved real estate schools, which present broker preclicensing educational courses separate from salesperson preclicensing courses, may request approval from the

commission for continuing education or post licensing credit for real estate licensees, if the course meets applicable post licensing and/or continuing education requirements.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:56 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:485 (March 2002).

§5517. Requirements for Submission of Additional Course Approval Requests by Approved Vendors

A. Approved education vendors shall apply for and receive approval for any new courses to be offered by the entity prior to advertising or offering the course to licensees. Each additional course application shall be accompanied by the following items:

1. applicable filing fees;
2. complete information on proposed course including title, course description, length of course, outline, and, for post licensing only, a copy of the course final examination;
3. name, address and resume' of each proposed instructor, if applicable.

B. If a request for additional course approval is rejected, the vendor may appeal the decision to the commission. No additional review fee will be required for such an appeal. If the request is denied by the commission no further appeal will be granted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:57 (January 2000).

§5519. Post Licensing and Continuing Education Course Work by Correspondence

A. Approved education vendors shall apply for and receive approval of correspondence study course(s) prior to any public offering. Passage of an examination is a requirement for all post licensing courses. Passage of an examination is not a requirement for classroom continuing education courses; however, licensees choosing to complete their continuing education through correspondence or distance learning courses will be required to comply with specific course completion verification procedures applicable to correspondence or distance learning courses. Each correspondence course application shall be accompanied by the following items:

1. applicable filing fees;
2. complete information on proposed course, including title, course description, length of course, outline, and a copy of the required test.

B. Applications for approval of correspondence courses shall comply with the following where applicable.

1. Written Correspondence Courses

a. A workbook consisting of a minimum of 20 typed pages, not smaller than 8 1/2 inches x 11 inches in size, per two hours of continuing education correspondence study credit or a workbook consisting of a minimum of 40 typed pages, not smaller than 8 1/2 inches x 11 inches in size, per four hours of post licensing education is required. If the course meets only the minimum of pages, the type cannot be larger than 12 point. Minimum standards require that paragraphs may be indented not more than 10 spaces and a maximum of one line of space may appear between paragraphs. Charts and graphs are not to be included in the required minimum page total. The top margin of the page cannot exceed 1 1/2 inches, the bottom margin 1 1/2 inches, and the side margin 1 inch. The commission reserves the right to approve an offering which marginally meets the minimum page requirement. Such approval will be based on a determination that the time period required to complete the course exceeds the credit hours requested based on the technical nature of the subject matter.

2. Audio/Visual Correspondence Courses

a. Video taped material may be submitted for approval as a complete course offering or in conjunction with written correspondence. The applicant shall provide a complete written transcript of any video taped material submitted for approval.

b. Audio only courses shall be formatted in segments consisting of taped lecture of at least two hours for continuing education purposes or at least four hours for post licensing purposes. The applicant shall submit a written transcript of the taped lecture with each request for audio approval.

3. Computer Generated Correspondence Courses

a. Computer generated correspondence courses will be considered for approval provided the applicant submits course materials in the exact format to be offered for education credit.

b. The commission, at its discretion, may request a written transcript of a proposed computer generated course offering prior to a final determination of the suitability of the course for education credit.

4. Other Distance Learning Education

a. Distance learning education courses may be considered for approval provided the courses meet the conditions for delivery specified in the standards for distance education established by the Association of Real Estate License Law Officials (ARELLO) and provided the course content is in a real estate subject approved by the commission for post licensing or continuing education credit for Louisiana licensees.

C. Every correspondence course for post licensing or continuing education shall require students to complete a written test consisting of a minimum of 20 multiple choice questions with four possible choices (a, b, c and d) for each

two hours of continuing education credit or a minimum of 40 multiple choice questions with four possible choices (a, b, c and d) for each four hours of post licensing credit. The written assignment or test a student submits for grading shall include the following statement:

I certify that I have personally completed this assignment.

Student's Signature _____ Date _____

D. All courses submitted for approval shall be in the exact format in which they will be sold to licensees for post licensing or continuing education credit.

E. No changes will be made to approved correspondence course material without the prior written approval of the commission.

F. Education vendors shall:

1. have the student's name, social security number, address and payment prior to the student receiving the course;

2. not grade any written assignment or examination if it is presented for grading before the time frame for course completion has been reached;

3. not grade any test which does not contain the signed certification required by paragraph C, above;

4. certify students as successfully completing a course only if the student completes any required written assignments and pass the required examination on course content;

5. issue certificates containing the following information to students completing education by correspondence:

a. complete name of approved vendor and LREC vendor code;

b. name and social security number of student completing course;

c. specific course title;

d. number of hours of education received;

e. date of course completion;

f. signature of verifier of course completion;

g. indication that student successfully completed examination on course content;

h. correspondence study completion noted with the notation, "correspondence" or "C".

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:57 (January 2000).

§5521. Post Licensing and Continuing Education Instructor Qualifications

A. With the exception of guest lecturers, only those persons meeting at least one of the following qualifications will be permitted to instruct approved post licensing and continuing education courses on a regular basis:

1. a state certified real estate instructor holding a current certificate;

2. a college or university professor in real estate, finance, business, economics, or related field;

3. a specialist with a degree or designation and experience teaching the subject(s) of proposed instruction; or

4. a licensed real estate professional with at least five years experience in the area of proposed instruction.

B. Guest lecturers shall not be utilized as instructors in courses pertaining to the Louisiana Real Estate License Law or the Rules and Regulations of the Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:58 (January 2000).

§5523. Prohibition of Recruiting

A. No person shall, at any time, while on the premises or facilities where an approved education course is being taught, discuss the sponsorship of any student by any licensee of the commission. Approved vendors shall display the following statement in classrooms where continuing education courses are being taught:

"No person shall discuss the sponsorship of any student by any licensee of the commission while on these premises, or by any means, verbal or written, conduct any activity which in any way relates to the future sponsorship of any student by any licensee of the commission."

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:58 (January 2000).

§5525. Course Fees

A. When fees are charged for an approved course offering, vendors shall enter into a signed written agreement with each individual stipulating the cost of the course and the vendor's refund policy.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:58 (January 2000).

§5527. Course Completion Verification and Reporting Requirements

A. Each approved vendor shall provide written verification of attendance to each course participant and shall provide the commission, on a monthly basis, attendance verification on each participant. Approved vendors may be required to use a standard certificate as specified by the commission. Verifications shall include, but may not be limited to, the following:

1. complete name of approved vendor and LREC vendor code;

2. name and social security number of participant;

3. specific course title;
4. number of hours completed;
5. date and, if applicable, an indication of successful completion of an examination on course content;
6. signature of verifier of the course completion;
7. when applicable, correspondence study completion noted.

B. Approved vendors shall submit to the commission monthly schedules of course offerings and attendance verification reports on each completed course. Such schedules shall be submitted to be received by the commission at least 10 days prior to the beginning of each month. The information is to be submitted on forms provided by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:58 (January 2000).

§5529. Record Keeping

A. Approved vendors shall maintain, for five years, attendance records on each person completing an approved course offering. In cases where a participant requires a duplicate of an attendance/verification record, it is the responsibility of the vendor to provide a proof of completion verification to the participant. Reasonable fees, if assessed for duplicate records, are to be determined by the vendor.

B. Approved vendors shall maintain properly indexed information on each approved offering, including all records of attendance/verification reports submitted to the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000).

§5531. Inspection or Monitoring of Approved Vendors/Courses

A. Commission representatives may audit any approved course offering to determine adequacy of course presentation, content and compliance with post licensing and/or continuing education regulations.

B. Commission representatives may inspect vendor records during regular business hours to determine compliance with record keeping requirements specified in this Chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000).

§5533. Prelicensing Schools Offering Post Licensing and Continuing Education Courses

A. In addition to prelicensing courses, any state certified real estate school may offer post licensing and continuing education courses, provided the school applies for and receives approved continuing education vendor status. No additional initial or renewal fees will be required of the school; however, filing fees for each additional course approval request will be required as provided in R.S. 37:1443.

B. A separate Louisiana Real Estate Commission vendor code will be assigned to the school upon compliance with post licensing and/or continuing education requirements.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000).

§5535. Advertisement

A. All advertisements by approved vendors shall state the exact name of the vendor as registered with the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:485 (March 2002).

§5537. Change of Address

A. Any change in the address or telephone number of the administrative offices of an approved vendor shall be reported to the commission within 10 days of the effective date of such change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000).

§5539. Post Licensing and Continuing Education on an Individual Basis

A. The commission will consider for credit, on an individual basis, course work completed by licensees through non-approved providers including, but not limited to, colleges and universities, national appraisal organizations, the societies, institutes, and councils of the National Association of REALTORS®, National Association of Real Estate Brokers, and federal, state and local governmental entities.

B. Licensees seeking approval for course work obtained through non-registered vendors/providers shall apply for such approval by submitting documentation of attendance, hours completed, date of attendance, and detailed course content information and, if applicable, verification of successful completion of an examination on course content.

C. The commission may approve, on a limited basis, courses offered by entities not registered as approved vendors with the commission. Such approvals may be granted to no more than three specific locations per approval, per non-registered vendor and shall be limited to two approvals per non-registered vendor within a one year period. Non-registered vendors requesting approval beyond this limit will be required to submit an application and receive approval as an approved vendor to be eligible to offer additional courses for post licensing and/or continuing education credit. Entities requesting approval under this provision shall comply with specific application and reporting procedures required by the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000), amended by the Office of the Governor, Real Estate Commission, LR 28:486 (March 2002).

§5541. Commission Sponsored SeminarsC Continuing Education Only

A. As required by law, each year the commission will provide annual continuing education courses sufficient to satisfy the mandatory continuing education requirement at no additional cost to the licensee.

B. Funds for the commission sponsored programs are derived from the Real Estate Research and Education Fund as provided in R.S. 37:1464.

C. Licensees attending commission sponsored seminars shall comply with all attendance requirements and shall not engage in conduct that is abusive, threatening or in any way degrading the representatives of the commission who have been assigned to monitor the seminars, or to any other person present at the seminar. Licensees who engage in such conduct shall be directed to immediately leave the premises and a written report of the incident will be completed and submitted to the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:59 (January 2000).

§5543. Seminar Instructor Qualifications

A. Instructors teaching commission sponsored seminars shall qualify in one of the following categories:

1. a state certified real estate instructor's certificate in good standing with the commission;
2. a college or university professor in real estate, finance, business, economics or related field; or,
3. a specialist with a degree or designation with at least five years experience in the area of proposed course instruction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5545. Minimum Length of Courses

A. Courses of instruction for continuing education purposes will not be approved by the commission if the total instruction time is less than two hours. Courses of instruction for post licensing purposes will not be approved by the commission if the total instruction time is less than four hours. Time devoted to breakfasts, luncheons, dinners or other refreshments shall not be counted as instruction time.

B. Credit shall not be given for any classroom hour consisting of less than 50 minutes of instruction and/or study. A classroom hour is defined as 60 minutes, of which 50 minutes are instruction. The prescribed number of classroom hours may include time devoted to examinations if a required part of the course. Vendors shall not grant credit to any student for completing more than eight hours of instruction in one calendar day.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

Chapter 57. Timeshares

§5701. Requirements for Processing

A. Every applicant for initial registration as a timeshare developer or timeshare salesperson shall submit to the commission a fully completed application on a form provided by the commission accompanied by the prescribed fees.

B. Every application for an initial timeshare salesperson registration shall contain the name of the developer for whom the applicant will be working following registration and shall be signed by a designated representative of that developer.

C. Applicants for registration as timeshare developers shall submit the following to the commission at the time of filing for registration:

1. sample copies of the conveyance and financing forms and, when applicable, copies of the public offering statement and a certified copy of the timeshare declaration;
2. when applicable, an affidavit, signed by the chief executive officer or managing partner of the developer and by any natural person having an ownership interest exceeding 10 percent in either the developer or entities which control it, that states under penalty of perjury that the affiant has read the timeshare declaration and all attached documents, and that they are true and correct.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5703. Receipt of Application

A. Every application shall be received and approved by the commission prior to the date the applicant engages in the business of selling timeshare interests within this state.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5705. Bonds

A. At the time of initial application, each applicant for registration as a timeshare developer shall provide evidence of one bond issued in favor of the state by a surety company authorized to do business in this state in the amount of \$1,000 dollars per unit week included in the timeshare plan in accordance with R.S. 9:1131.4(D).

B. At the time of initial application, each applicant for registration as a timeshare interest salesperson shall provide evidence of one bond issued in favor of the state by a surety company authorized to do business in this state in the amount of \$10,000 in accordance with R.S. 37:1437.1(E).

C. A new bond or a renewal or continuation of the original bond shall be required for each registration period. If a continuous bond is filed, no new or renewal bond is required as long as the continuous bond remains in force and effect.

D. In the event a bond is revoked or canceled by the surety company, the timeshare registration of the named bondholder shall automatically be suspended until such time as a new bond is filed with the commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5707. Fees

A. Registration fees shall cover a period of one calendar year and shall not be prorated.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5709. Automatic Suspension for Non-Renewal

A. If a developer's timeshare registration is suspended or revoked, no sales of timeshare interests in that project may be conducted by that developer, by any timeshare sales registrant working for that developer, or by any licensed real estate broker or salesperson working with that developer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:60 (January 2000).

§5711. Terminations

A. A developer who wishes to terminate an association with a sales registrant shall return the registrant's sales registration certificate to the commission along with a properly executed transfer form as provided by the commission.

B. A sales registrant who wishes to terminate an association with a developer shall request, in writing, that the developer return that registrant's sales registration certificate to the commission, and shall sign the appropriate transfer form as proof of the request.

C. A sales registrant may transfer to another developer upon submission of a property executed transfer form signed by both the registrant and a designated representative of the developer. This transfer request shall be accompanied by a new bond and appropriate transfer fees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5713. Advertising

A. Any advertising material relating to a timeshare plan or solicitation shall be filed with the Louisiana Real Estate Commission by the developer prior to use. All such advertising shall be in compliance with R.S. 9:1131.12.

B. The developer shall file each prize and gift promotional offer to be used in the sale of timeshare interests with the commission prior to its use.

C. Prize and promotional offers shall be accompanied by a filing fee in accordance with R.S. 37:1443. Each filing of a prize and gift promotional offer with the commission shall be in compliance with R.S. 9:1131.13(G).

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5715. Establishment of Escrow Account

A. Where applicable, the developer of each timeshare plan that has timeshare property located in Louisiana, or who maintains a sales office in Louisiana for the sale of timeshare interests, shall establish interest bearing escrow accounts in the developer's name at a financial institution in the parish where the timeshare property or sales office is located, in accordance with R.S. 9:1131.16 and 17.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5717. Affidavit of Authority

A. Every developer of a timeshare plan shall submit to the commission notarized affidavits attesting to the existence, location and account number of the developer's escrow accounts. The affidavits shall authorize and empower

the commission or its representatives to examine, inspect, and/or copy the developer's escrow accounts.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5719. Escrow Account Closing

A. Every developer shall notify the commission of his intention to close an escrow account at least 10 days prior to the intended closing date.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5721. Maintaining an Escrow Account

A. Upon revocation, suspension or lapse of registration, a developer shall nevertheless continue to maintain all escrow accounts until such time as all monies have been disbursed according to law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5723. Change of Address

A. Every registrant shall report in writing any change in business or residence address or telephone number to the

commission within 10 days of the change. Such notification shall be by hand delivery or certified mail.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5725. Payment to Non-Registrants

A. Timeshare registrants, in accordance with the provisions of R.S. 37:1446(A), shall not offer or pay a fee or any other compensation of any kind to any unregistered person for the purpose of obtaining any timeshare solicitations.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

§5727. Developer Records

A. Every developer shall retain, for at least five years, readily available and properly indexed copies of all documents which in any way pertain to the sale or solicitation of timeshare interests in which he has acted as a developer.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:1431 et seq.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Commission, LR 26:61 (January 2000).

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PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LXVII. Real Estate

Subpart 2. Appraisers

Chapter 101. Authority

§10101. Adoption

A. The Rules and regulations of the Louisiana Real Estate Appraisers State Board of Certification contained herein have been adopted pursuant to and in compliance with R.S. 37:3391 et seq. and any violation of these Rules or regulations shall be sufficient cause for any disciplinary action permitted by law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1425 (August 1999).

Chapter 103. Certification

§10301. Applications

A. Applications for examination must be submitted on forms prescribed by the board and must be notarized and accompanied by the prescribed fees specified in R.S. 37:3407.

B. An examination authorization will be issued by the board on receipt of a properly completed application.

C. When an applicant has made a false statement of material fact on an application for certification, or in any document submitted in connection with the application process, such false statement may in itself be grounds for refusal of a certificate.

D. A person who has applied for certification and has been denied by the board for having made a false statement of material fact on an application for certification, or for having submitted an appraisal report for experience credit which has been altered in any way or which contains false information, shall not be considered by the board for certification for a period of two years from the date the application was denied.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1425 (August 1999).

§10303. Examination

A. Any applicant who fails to pass his initial examination may reapply to take a subsequent examination, provided he remits a new examination processing fee within 90 days of his last test date and obtains a new examination authorization. After 90 days the board's files shall be cleared

and remittance of all prescribed fees and a new application shall be required. The board, at its discretion, may extend the 90 day retake period upon showing that factors beyond the control of the applicant warrants such an extension.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1425 (August 1999).

§10305. Fees

A. Except as otherwise provided in the Rules and regulations, all fees submitted to the board are non-refundable.

B. The application fee for certification shall cover a period of two calendar years and shall not be prorated.

C. The initial education provider fee shall cover a period of one calendar year and shall not be prorated.

D. Payment of any fee with a check which is returned by a financial institution wherein the reason for not paying the check is not the fault of the financial institution shall be grounds for the cancellation of the transaction for which the fee was submitted and/or the suspension or revocation of a certified appraisers certificate or a certification as a continuing education provider.

E. Persons issuing checks which are returned by financial institutions will be notified of the return of the check by certified mail to the address registered by that person with the board. Within 10 days from the mailing of the notification, the person issuing the check will remit a certified check, cashier's check or money order payable to the Louisiana Real Estate Appraisers State Board of Certification in the amount of the returned check.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1425 (August 1999).

§10307. Basic Education Requirement for Certification

A. The board shall prescribe and define the subjects related to real property appraisal that will satisfy the educational requirements for qualifying and continuing education, including:

1. specific appraisal subjects to be mandatory requirements for residential and general appraiser certification, including the minimum number of hours that must be completed in each subject; and

2. appraisal subjects to be designated as "electives", including the maximum number of hours of elective study acceptable toward residential and general appraiser certification.

B. Any applicant completing appraisal courses through education providers not certified by the board must apply for and receive approval for such course work being used for certification or renewal. The applicant must provide proof of:

1. course completion;
2. number of classroom hours;
3. examination requirement;
4. detailed course content;

5. any additional information on the subject matter deemed necessary by the board for the rendering of an informed decision on the request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1425 (August 1999).

§10309. Experience Credit/Review Procedure

A. The chairman and members of the Experience Review Committee shall be appointed by the chairman of the Louisiana Real Estate Appraisers State Board of Certification.

B. In accordance with R.S. 1950, Title 50, Chapter 51, Louisiana Real Estate Appraisers Certification Law, it is the responsibility of the board to verify that applicants for residential and general certification have met the experience requirement prior to issuance of an examination authorization. The committee shall have the authority to request and review copies of any appraisal reports listed in the application for experience credit.

C. Applicants shall list their appraisal experience on the application provided by the board. Computer generated forms will be accepted, provided that all necessary data is submitted in a format similar to that published by the board.

D. The board shall consider for experience credit toward appraiser certification only those real property appraisals which include, but are not limited to, the appraisal of real property consistent with the Uniform Standards of Professional Appraisal Practice.

E. Applications for experience credit shall only be accepted from individuals who have satisfied the education requirement for the type of certification for which they have applied.

F. The board may require an applicant to obtain additional educational training consisting of not less than 15 or more than 30 classroom hours of course work.

G. Appraisals performed by an applicant for an owner or instructor of a school certified by the Louisiana Real Estate Commission within one year from the date the applicant

completed prequalifying education course work at the school shall not be used to satisfy any requirement for experience credit for certification as a residential or general real estate appraiser.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1426 (August 1999).

§10311. Residential Certification Minimum Experience

A. A minimum of 250 credit points is required for residential certification. Regardless of the number of experience points earned in any given year, the maximum allowable credit that can be applied toward the experience requirement is 125 points. There is no minimum point requirement. For example:

1997	140 points	=	1.00	experience year
1996	120 points	=	0.96	experience year
1995	100 points	=	0.80	experience year
	360 points	=	2.76	experience years

1. When an appraisal report is signed by more than one person, credit for said assignment must be divided equally among all signatories. For the purpose of granting credit, a person signing in the capacity of a Review or Supervisory Appraiser is not considered as a co-signer on the report, provided that his role as such is clearly indicated in the report.

2. If the person applying for experience credit was unable to sign the report but is mentioned in the certification as having provided significant professional assistance, a proportional amount of credit based on the number of contributors to the report can be requested.

3. Credit will not be granted if professional assistance was not disclosed.

B. Only appraisals of single-family, one to four unit residential property, or vacant sites suitable for single-family or farm/timber acreage which included the valuation of a single-family dwelling shall be considered for residential experience.

C. A minimum of two years of experience shall be required for residential certification.

D. Residential appraisal points shall be awarded as follows.

1. One Unit Dwelling (house, townhouse, condominium)	1 point
2. Two to Four Unit Dwelling (apartment, duplex, condominium)	2 points
3. Residential Lot (1-4 family)	1/2 point
4. Residential Subdivision Sites (not to exceed five points per subdivision)	1/2 point
5. Farm or Timber Acreage Suitable for a House Site less than 10 acres 10 to 100 acres over 100 acres	1 point 2 points 3 points

6. Rural ResidenceCOne Unit Primary Dwelling 10 acres or less	1 point
7. RanchetteCPart-Time Rural Use 10 to 25 acres, with main dwelling and outbuildings, such as additional residence, barns, and/or other outbuildings	3 points
8. All Other Unusual Structures or Acreage larger or more complex than typical properties described herein	Submitted to board for determination (1/2 to 5 points)
9. Instruction of an Approved Residential Course Consisting of at Least 20 Classroom Hours (not to exceed 16 points per year)	4 points
10. Residential Appraisal Textbook Authorship (not to exceed 20 points per year)	Submitted to board for determination
11. Residential Journal Articles in Journals of Approved National Appraisal Organizations (not to exceed 20 points per year)	10 points
NOTE: The Cumulative Points for Items 9, 10, And 11 Shall Not Exceed 25 percent of the Total Points for Residential Certification.	
12. Review of Appraisals Shall Be Worth 20 percent of the Points Awarded for the Appraisal (not to exceed 20 points per year)	

E. Applications for experience credit must be submitted on forms prescribed by the board and must be notarized and accompanied by the prescribed fees specified in R.S. 37:3407.

F. Verification of experience may include any or all of the following:

1. client verification of appraisal reports for which the applicant has requested experience credit;

2. submission of selected reports to the board upon request to determine compliance with the Uniform Standards of Professional Appraisal Practice (USPAP);

3. field inspection of all reports identified by the applicant at the applicant's office during normal business hours;

4. requiring an applicant to personally appear before the board, or provide additional information deemed necessary by the board to make an informed decision on an application for certification;

5. at least 125 experience credit points from complete appraisals reported in self contained or summary appraisal.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1426 (August 1999).

§10313. General Certification Experience

A. A minimum of 300 credit points is required for general certification. Regardless of the number experience points earned in any given year, the maximum allowable credit that can be applied toward the experience requirement is 100 points. There is no minimum point requirement. For example:

1996	103 points	=	1.00	experience year
1995	145 points	=	1.00	experience year
1994	53 points	=	.53	experience year
1993	60 points	=	.60	experience year
	361 points	=	3.13	experience years

1. When an appraisal report is signed by more than one person, credit for said assignment must be divided equally among all signatories. For the purpose of granting credit, a person signing in the capacity of a Review or supervisory Appraiser is not considered as a co-signer on the report, provided that his role as such is clearly indicated in the report.

2. If the person applying for experience credit was unable to sign the report but is mentioned in the certification as having provided significant professional assistance, a proportional amount of credit based on the number of contributors to the report can be requested.

3. Credit will not be granted if professional assistance was not disclosed.

B. A minimum of three years of experience shall be required for general certification.

C. No more than 100 residential experience points shall be accepted for credit toward general certification.

1. A certified residential appraiser applying for general certification shall be granted the maximum allowable credit of 100 residential experience credit points upon request.

D. General appraiser points shall be awarded as follows.

1. Apartments	
5 - 20 units	4 points
21 - 100 units	8 points
over 100 units	10 points
2. Hotels/Motels	
50 or fewer units	6 points
51 - 150 units	8 points
over 150 units	10 points
3. Meeting/Conference/Auditorium	
20,000 square feet or less	4 points
over 20,000 square feet	6 points
4. Industrial/Warehouse Buildings	
20,000 square feet or less	4 points
over 20,000 square feet	8 points
over 100,000 square feet (multiple 10ants)	10 points
5. Office Buildings	
10,000 square feet or less	4 points
over 10,000 square feet	8 points
over 100,000 square feet (multiple 10ants)	10 points
6. Condominium (Must Include Income Approach)	
5 - 30 units	6 points
over 30 units	10 points
7. Retail Buildings	
10,000 square feet or less	6 points
over 10,000 square feet (single 10ant)	8 points

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over 50,000 square feet (multiple 10ants)	10 points
8. Acreage of Non-Residential Land for Commercial or Multiple Family Use	
100 acres or less	3 points
over 100 acres (direct sales analysis only)	6 points
over 100 acres (including income approach)	8 points
9. Timber/Farm Acreage for Commercial or Multiple Family Use	
100 - 200 acres	3 points
over 200 acres (direct sales analysis only)	6 points
over 200 acres (including income approach to value)	8 points
10. All Other Unusual Structures Which Are Much Larger or More Complex than the Typical Properties Described Herein Items (1) - (9)	Submitted to board for determination
11. Pasture or Grazing Enterprises	
25 - 50 acres	1 point
51 - 100 acres	2 points
101 - 500 acres	3 points
501 - 2,000 acres	6 points
over 2,000 acres	8 points
12. Row Crop Enterprises	
25 - 50 acres	2 points
51 - 100 acres	3 points
101 - 500 acres	4 points
501 - 2,000 acres	6 points
over 2,000 acres	10 points
13. Orchard/Vineyard, Plant Nursery Enterprises	
50 acres or less	2 points
51 - 100 acres	4 points
101 - 500 acres	8 points
over 500 acres	10 points
14. Aquaculture Enterprises	
50 acres or less	2 points
51 - 100 acres	4 points
101 - 500 acres	8 points
over 500 acres	10 points
15. Truck Farm Enterprises	
50 acres or less	2 points
51 - 100 acres	4 points
101 - 500 acres	6 points
over 500 acres	8 points
16. Dairy Enterprises	
50 or less cow milking herd	4 points
51 - 100 cow milking herd	6 points
over 100 cow milking herd	8 points
17. Diversified Agricultural Operations of over 500 acres Involving Two or More of the Above Enterprises, Assuming Multiple Disciplines Are Exhibited in the Report	10 points
18. Timberland Appraisals	
40 - 100 acres	2 points
100 - 500 acres	3 points
500 - 2,000 acres	5 points
2,000 - 10,000 acres	7 points
over 10,000 acres	Submitted to board for determination
19. Specialized Agricultural Properties	Submitted to board for determination

NOTE: No more than 40 percent of the cumulative points may be earned from any one category (items 1-19). The applicant may request a waiver of this requirement based on his unique depth of experience in a single area.	
20. Review of appraisals shall be worth 20 percent of the points awarded for the appraisal (not to exceed 20 points per year).	
21. Instruction of an Approved General Course Consisting of at least 20 Classroom Hours (not to exceed 20 points per year)	10 points
22. Appraisal Textbook Authorship in General Appraisal Topics (not to exceed 20 points per year)	Submitted to board for determination
23. General Field Journal Articles in Journal of an Approved National Appraisal Organization (not to exceed 20 points per year)	10 points

NOTE: The cumulative points for Items 21, 22, and 23 shall not exceed 25 percent of the total points for general certification.

E. At least 150 experience credit points must come from complete appraisals reported in self contained or summary appraisal reports. The reports must include a direct sales approach, cost data approach, and income data approach.

F. Verification of experience may include any or all of the following:

1. client verification of appraisal reports for which the applicant has requested experience credit;
2. submission of selected reports to the board upon request to determine compliance with the Uniform Standards of Professional Appraisal Practice;
3. field inspection of all reports identified by the applicant at the applicant's office during normal business hours;
4. requiring an applicant to personally appear before the board, or provide additional information deemed necessary by the board to make an informed decision on an application for certification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1427 (August 1999).

§10315. Appraisal Review Requirements

A. In reviewing an appraisal, an appraiser must observe the following specific guidelines:

1. identify the report being reviewed, the real estate and real property interest being appraised, the effective date of the opinion in the report being reviewed, and the date of the review;
2. identify the scope of the review process to be conducted;
3. form an opinion as to the adequacy and relevance of the data and the propriety of any adjustments to the data;

4. form an opinion as to the appropriateness of the appraisal methods and techniques used to develop the reasons for any disagreements;

5. form an opinion as to the correctness and appropriateness of the analyses, opinions, and/or conclusions in the report being reviewed, and develop the reasons for any disagreement;

6. state in the letter of transmittal whether or not exterior or interior building inspections were made and, if so, when and by whom;

7. the review must be in writing and include Items 1-6.

B. In reporting the results of an appraisal review, and appraiser must:

1. disclose the nature, extent, and detail of the review process undertaken;

2. disclose the information that must be considered in Section 10315.A.1 and 2;

3. set forth the opinions, reasons, and conclusions required in Section 10315.A.3, 4, and 5;

4. include a signed certification.

C. In reviewing an appraisal and reporting the results of that review, an appraiser must separate the review function from any other function.

D. No more than 20 points shall be awarded as experience credit in any one year for review of appraisals.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1428 (August 1999).

§10317. Co-Signed Reports, Reviews, Articles and Textbooks

A. The prorata number of points of each co-signed report, review, article and textbook shall be awarded to each signer of the report.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1429 (August 1999).

Chapter 104. Education Providers/Course Approval

§10401. Qualifying and Continuing Education Course Providers

A. Educational courses offered by the following providers will be considered by the board:

1. appraisal organizations;
2. colleges and universities;

3. schools certified by the Louisiana Real Estate Commission;

4. federal or state entities;

5. proprietary schools registered with the Louisiana Proprietary School Commission, a division of the Louisiana State Department of Education; and,

6. other educational providers approved by the board.

B. Education providers must apply directly to the board for qualifying and continuing education course approval. Application forms will be provided by the board. Information to be submitted for each course offering shall include:

1. course content;
2. program structuring;
3. course completion standards;
4. instructor qualifications;
5. minimum number of classroom hours;
6. textbook and course materials;
7. any additional information as requested by the board.

C. Any request from an approved education provider for an additional course must be submitted to the board and approval granted by the board at least 30 days prior to the course presentation.

D. Upon approval by the board, courses for each provider will be listed on the board's approved course list through December 31 following the date approved. The board may extend such approval for the next renewal period if course materials remain current or are updated as law or rule changes may require.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1429 (August 1999).

§10403. Certification of Education Providers

A. Certification as an education provider shall be granted only to persons who bear a good reputation for honesty, trustworthiness, integrity, and competence to deliver quality instructional services, and only when proof of such qualifications has been presented to the board. The occurrence of any of the following events shall constitute grounds for refusal to grant a certification as an education provider.

1. The applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or a crime involving moral turpitude in any court of competent jurisdiction.
2. The applicant had made a false statement of material fact on the application.

3. The applicant refuses to agree to monitoring of courses by the board or its authorized representatives.

B. Upon approval by the board, education providers will be certified for a period of one year with the certification expiring annually on December 31.

C. Certificates issued to education providers will be issued in the legal name of the applicant.

D. Education providers shall:

1. submit monthly schedules and attendance reports to the board as required;

2. insure that all course offerings satisfy the minimum standards of approval endorsed by the Appraisal Qualifications Board of The Appraisal Foundation as established by the Federal Financial Institutions Examination Council or its successor;

3. insure that course offerings specified by the board satisfy all requirements mandated by the board;

4. maintain the attendance records of each student for a period of five years following the date the student completed a course offered by the provider;

5. provide each student with a written cost and refund policy regarding the course offering;

6. insure that all advertisements published or distributed include the name of the provider as registered with the board;

7. report any change in business address or telephone number to the board in writing within 10 days of the date of the change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1429 (August 1999).

§10405. Course Requirements

A. The board may require approved providers to follow model curriculum guidelines to assure comprehensive coverage of appraisal topics which meet the educational requirements for residential and general appraiser certification.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1429 (August 1999).

§10407. Qualifying Education

A. Courses accepted for qualifying education credit toward residential or general appraiser certification must include subjects related to real estate appraisal as specified in the following areas.

1. Residential Appraiser Certification

a. Influences on Real Estate Value

b. Legal Consideration in Appraisal

c. Types of Value

d. Economic Principles

e. Real Estate Market and Analysis

f. Valuation Process

g. Property Description

h. Highest and Best Use Analysis

i. Appraisal Math and Statistics

j. Sales Comparison Approach

k. Site Value

l. Cost Approach

m. Income Approach

n. Valuation of Partial Interests

o. Appraisal Standards and Ethics

p. Narrative Report Writing

2. General Appraiser Certification

a. Influences on Real Estate Value

b. Legal Considerations in Appraisals

c. Types of Value

d. Economic Principles

e. Real Estate Markets and Analysis

f. Valuation Process

g. Property Description

h. Highest and Best Use Analysis

i. Appraisal Math and Statistics

j. Sales Comparison Approach

k. Site Value

l. Cost Approach

m. Income Approach

n. Valuation of Partial Interests

o. Appraisal Standards and Ethics

p. Narrative Report Writing

B. Credit toward the qualifying educational requirement for residential and general appraiser certification will only be granted to those courses which include at least 15 hours of instruction, require successful completion of a final examination and cover specific subjects as defined by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1429 (August 1999).

§10409. Continuing Education

A. Courses accepted for credit toward the continuing education requirement for residential and general certified appraisers may include, but are not limited to, the following topics.

1. Ad Valorem Taxation
2. Arbitration
3. Business Courses Related to the Practice of Real Estate Appraisal
4. Development Cost Estimating
5. Ethics and Standards of Professional Practice
6. Land Use Planning, Zoning, and Taxation
7. Management, Leasing, Brokerage, and Timesharing
8. Property Development
9. Real Estate Appraisal
10. Real Estate Financing and Investment
11. Real Estate Law
12. Real Estate Litigation
13. Real Estate Appraisal Related Computer Applications
14. Real Estate Appraisal Securities And Syndication
15. Real Property Exchange
16. Louisiana Real Estate Appraiser Certification Law and the Rules and Regulations of the Louisiana Real Estate Appraisers State Board of Certification.

B. Courses of instruction for continuing education for state certified appraisers must consist of at least two instructional hours. A final examination is not required on courses administered for the purpose of continuing education; however, if a final examination is given, proof of passage shall be furnished to students successfully completing the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1430 (August 1999).

§10411. Instructor Qualifications

A. Instructors for qualifying education courses must satisfy at least one of the following qualification requirements:

1. a baccalaureate degree in any field and three years of experience directly related to the subject matter to be taught; or
2. a masters degree in any field and one year of experience directly related to the subject matter to be taught; or

3. a masters or higher degree in a field that is directly related to the subject matter to be taught; or

4. five years of real estate appraisal teaching experience directly related to the subject matter to be taught; or

5. seven years of real estate appraisal experience directly related to the subject matter to be taught.

B. Instructors for continuing education courses must satisfy at least one of the following qualification requirements:

1. three years of experience directly related to the subject matter to be taught; or

2. a baccalaureate or higher degree in a field directly related to the subject matter to be taught; or

3. three years of experience teaching the subject matter to be taught; or

4. a combination of education and experience equivalent to 1, 2, or 3 above.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1430 (August 1999).

§10413. Classroom Hour Defined

A. Consistent with the requirements of the Appraiser Qualification Board of the Federal Financial Institutions Examination Council, a classroom hour is defined as 60 minutes, of which 50 minutes are instruction. The prescribed number of classroom hours may include time devoted to examinations which are considered to be part of the course.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1430 (August 1999).

§10415. Compliance with Americans with Disabilities Act (ADA)

A. For purposes of meeting the requirements of the Americans With Disabilities Act (ADA), the board may permit an alternative method of course delivery other than the regular classroom method of presentation. Verification of disability of the individual requiring the completion of course work through an alternative delivery method may be required by the board prior to granting such a request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10417. Distance Education Courses

A. Distance education courses may be used for qualifying education credit for certification and continuing education after certification provided the courses meet the conditions prescribed by the Appraiser Qualification Board

of the Appraisal Foundation regarding the accreditation of the presenter of the course or approval of the course by the American Council on Education's Program on Non-Collegiate Sponsored Instruction or under the Appraiser Qualification Board's Course Approval Program.

B. Any educational course based on the geographical separation of the learner and the instructor (e.g., CD ROM, on-line learning, correspondence courses, video conferencing, etc.) must provide for interaction between the learner and the instructor. Courses designed for both qualifying education credit and continuing education credit must include testing and proof of passage shall be furnished to students successfully completing the examination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1431 (August 1999).

§10419. Video Presentations in Classroom Instruction

A. Video presentations will be accepted for qualifying and continuing education credit only when used as a training aid by an instructor in a classroom setting.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10421. Combining Appraisal and Real Estate Prelicensing Courses Prohibited

A. Appraisal courses combined with real estate salesperson and/or broker prelicensing courses offered by schools certified by the Louisiana Real Estate Commission and approved by the board as education providers will not be accepted by the board as qualifying education.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10423. Determination of Credit Hours for Qualifying Education

A. Each course credited toward an individual's educational requirement must represent a progression in which the individual's knowledge is increased. Full credit will not be granted to an individual for courses completed which are repetitive in nature.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10425. Final Examination on Additional Education Required by Board

A. A final examination is required on courses administered for the purpose of additional education when directed by the board. Completion of these courses shall be

evidenced by a certificate of course completion issued by the education provider. Such courses shall not be used to satisfy the requirement for continuing education in the applicable recertification period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisers Board of Certification, LR 25:1431 (August 1999).

Chapter 105. Investigations and Adjudicatory Proceedings

§10501. Investigations

A. The board may, upon its own motion, and shall upon the verified complaint in writing of any person, investigate the actions of a certificate holder, or any person who assumes to act as such. Written complaints shall bear the signature of the complainant or that of his legal representative before any action will be taken thereon by the board.

B. Upon documented probable cause the executive director of the board may issue written authorization to investigate apparent violations of the Louisiana Real Estate Appraisers Certification Law and/or the Rules and regulations of the board.

C. If during the conduct of an investigation documented probable cause is established indicating that violations of the Louisiana Real Estate Appraisers Certification Law and/or the Rules and regulations of the board have been committed by any certificate holder other than the certificate holder against whom the original complaint was made, the additional certificate holders may be added as respondents to the investigation in the absence of any written complaint alleging such violations.

D. Investigations alleging violations of the Louisiana Real Estate Appraisers Certification Law and/or the Rules and regulations of the board shall be investigated by the staff of the Louisiana Real Estate Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10503. Technical Assistance

A. In any investigation conducted by the staff of the commission, the chairman of the board may be requested to assign a member of the board to provide technical assistance to the investigator conducting the investigation.

B. When a member of the board has been assigned to provide technical assistance to a commission investigator, the member shall review the findings and recommendation resulting from the investigation. A written certification of the review signed by the board member shall be provided to the commission investigator and appended to the report of investigation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1431 (August 1999).

§10505. Cooperation

A. Every certificate holder shall cooperate fully with and answer all questions propounded by commission personnel conducting an investigation for the board.

B. Every certificate holder shall produce any document, book, or record in the certificate holder's possession, or under his control, concerning any matter under investigation by commission personnel conducting an investigation for the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1432 (August 1999).

§10507. Adjudicatory Proceedings

A. When, as a result of an investigation, it appears that violations of the Louisiana Certified Real Estate Appraisers Certification Law may have been committed by a certificate holder, the violations may be adjudicated through informal or formal adjudicatory proceedings.

B. The complaint may be concluded informally without public hearing on the recommendation of the hearing examiner and the concurrence of the executive director.

1. A preliminary notice of adjudication shall be issued to advise the respondent of the violation or violations alleged and to advise the respondent that the matter can be resolved informally should the respondent desire to admit to committing any act or acts specified and submits a written request that the matter be resolved informally.

2. A hearing officer shall be appointed by the executive director to conduct an informal hearing with the respondent.

3. The informal hearing shall be attended by the case investigator, or in the absence of the case investigator, the chief real examiner, who shall respond to questions concerning the investigation which resulted in the allegations, and the hearing examiner, who shall inform the hearing officer of the administrative, jurisdictional, and other matters relevant to the proceedings. No evidence shall be presented, no witnesses shall be called, and no formal transcript of the proceedings shall be prepared. Statements made during the informal proceedings may not be introduced at any subsequent formal adjudicatory proceedings without the written consent of all parties to the informal hearing.

4. Following an admission by the respondent at the informal hearing that violations were committed as alleged, the hearing officer may enter into a recommended stipulation and consent order to include the imposition of any sanctions authorized by the Louisiana Real Estate Appraisers

Certification Law. In the written document, the respondent must stipulate to having committed an act or acts in violation of the Louisiana Real Estate Certification Law or the Rules and regulations of the board, accept the sanctions recommended by the hearing officer, and waive any rights to request a rehearing, reopening, or reconsideration by the board, and the right to judicial appeal of the consent order.

5. If, at the informal hearing, the respondent does not admit to having committed the act or acts specified, does not accept the sanctions recommended by the hearing officer, or does not waive the specified appellate rights, the alleged violations shall be referred to a formal adjudicatory hearing.

6. If the respondent does execute a stipulation and consent order, the executive director shall submit the document to the board at the next regular meeting for approval and authorization for the executive director to execute the Consent Order in the name of the board.

7. The actions of the board relative to all consent orders shall be noted in the minutes of the meeting at which the consent order is approved and authorization is granted to the executive director to execute the order in the name of the board.

8. Any consent order executed as a result of an informal hearing shall be effective on the date approved by the board.

C. All formal public adjudicatory hearings shall be conducted under the auspices of R.S. 37:3409 and Chapter 13 of Title 49 of the Louisiana Revised Statutes.

1. Board members who have provided technical assistance in any matter being adjudicated at formal adjudicatory proceedings shall recuse themselves and not participate in any portion of the proceedings.

2. The order issued by the board pursuant to any formal public adjudicatory proceeding shall become effective on the eleventh day following the date the order is issued by the board and entered into the record at the proceedings.

3. The date of entry is the date the order is issued by the board and entered into the record at the formal adjudicatory proceedings.

4. If a request for rehearing, reopening, or reconsideration of the order of the board is timely filed and denied by the board, the order of the board shall become final on mailing of the notice of the board's final decision on the request.

5. An order of the board shall be subject to rehearing, reopening or reconsideration by the board on receipt of a written request from a respondent. An application for rehearing, reopening or reconsideration must be received at the office of the board within 10 days from the date of entry of the order rendered by the board.

6. The request shall be reviewed by the board attorney for compliance with the Administrative Procedure Act. A finding by the board attorney that the request does not establish grounds for rehearing, reopening or reconsideration shall result in a denial for the request.

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7. Proceedings for judicial review of an order issued by the board may be instituted by filing a petition for judicial review in the Nineteenth Judicial District Court in the parish of East Baton Rouge.

8. In the event a request for rehearing, reopening or reconsideration has been filed with the board, the party making the request shall have 30 days from the final decision on the request within which to file a petition for judicial review.

9. If a request for rehearing, reopening or reconsideration is not filed with the Board, the petition for judicial review must be filed in the Nineteenth Judicial District Court within 30 days after the mailing of the order of the board.

10. The filing of a petition for judicial review by a respondent certificate holder does not itself stay enforcement of an order of the board. A stay of enforcement shall be granted only when directed by the court conducting a judicial review of adjudication.

D. On a finding that a respondent has committed the violations as alleged in any formal or informal adjudicatory proceedings, the board may assess the respondent the administrative costs of the proceedings, as determined by the board. Payment of these costs shall be a condition of satisfying any order issued by the board.

AUTHORITY NOTE: Promulgated in accordance with R.S. 37:3395.

HISTORICAL NOTE: Promulgated by the Department of Economic Development, Real Estate Appraisal Board of Certification, LR 25:1432 (August 1999).

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Part LXVII. Real Estate

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